

N.A.S.D. MODIFIED AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

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In the Matter of Arbitration Between

Name of Claimant

Bieber-Taki Associates

vs.

Case # 92-02971

Name of Respondents

MMAR Group, Inc.  
Cory Miner  
Paul Brown

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**REPRESENTATION**

For Claimant: Frederick E. Smithline, Esq. and Brian Greenman, Esq. of the firm Epstein, Becker & Green.

For Respondent: Richard P. Schultz, Esq. of MMAR Group, Inc.

**CASE INFORMATION**

Statement of Claim filed: September 2, 1992.

Claimant's Submission Agreement signed on: August 27, 1992.

Statement of Answer and Counterclaim filed by Respondents, MMAR Group, Inc., Cory Miner and Paul Brown on: October 23, 1992.

Respondent, MMAR Group Inc.'s Submission Agreement signed on: October 20, 1992.

Respondent, Cory Miner's Submission Agreement signed on: October 20, 1992.

Respondent, Paul Brown's Submission Agreement signed on: October 20, 1992.

**HEARING INFORMATION**

Pre-hearing Conference:	May 4, 1993 July 6, 1993		
Hearing Dates/Sessions:	May 20, 1993	-	2
sessions			
	May 21, 1993	-	2
sessions			
	June 9, 1993	-	2
sessions			
	September 1, 1993	-	2
sessions			
	September 2, 1993	-	2
sessions			
	October 13, 1993	-	2
sessions			
	October 14, 1993	-	2
sessions			
	December 2, 1993	-	2
sessions			

Hearing Location: NASD offices located in New York City, New York.

**CASE SUMMARY**

Claimant alleges that it was in the business of providing instructions to its global network of institutions, of providing strategic planning and of giving corporate advice to growing companies. Claimant alleges that Respondent, MMAR Group, Inc. ("MMAR") is an investment, advisory, analytical, research firm and broker/dealer that develops profitable investment strategies for its institutional clients.

Claimant alleges that MMAR wanted Claimant to introduce it to international institutional clients to help MMAR market its products and services to Claimant's clients. Claimant alleges that they provided extensive introductions to potential clients in the Pacific Basin, U.K., USA, Switzerland and the Middle East. Claimant alleges that Dennis Bieber ("Bieber") a principle in the Claimant company, traveled with Respondent, Cory Miner and provided the required introductions. Claimant alleges that Bieber expended time and effort and provided business advice and strategy for these meetings.

Claimant alleges that despite numerous demands, MMAR has refused to acknowledge which of the entities introduced to it by the Claimant resulted in any business. Claimant alleges that MMAR continues to do business with the entities introduced to it by the Claimant and has refused to compensate Claimant as agreed.

Claimant alleges that MMAR asked them to implement a strategic plan that would add credibility and acceptability to MMAR. Claimant alleges that to achieve this, they directed a MMAR seminar which helped MMAR manage their plans more effectively. Claimant alleges that despite due demand, MMAR has not made payment to the Claimant for this service.

Respondents generally denied the allegations contained in the Statement of Claim. Respondents further allege in their counterclaim that the Claimant, through its principals, fraudulently induced the Respondents into allowing it to make introductions to clients of Respondents when the Claimant knew or should have known that such introductions would not result in the transaction of any business.

Claimant generally denies the allegations contained in the Counterclaim.

### **RELIEF REQUESTED**

Claimant damages in the amount of \$1,000,000.00 because of MMAR's refusal in identifying, quantifying and paying amounts due for services rendered in the introductions of clients; damages in the amount of \$400,000.00 for Respondent's breach of their contract and failure to honor the bill for services rendered for the strategic plan, corporate advice and brochure. Claimant requested punitive damages for three times the actual loss plus costs and attorneys fees.

Respondents requested damages, including punitive damages and attorneys fees in an unspecified amount, as a result of the fraudulent inducement and misrepresentation of Claimant.

### **AWARD**

After considering the pleadings, the testimony and the evidence presented at the hearing, the undersigned arbitrators have decided in full and final resolution of the issues submitted for determination as follows:

1. Respondent, MMAR Group Inc., is hereby liable and shall pay to the Claimant the amount of \$380,887.25 on Claimant's first claim for

\$1,000,000.00. Interest is awarded on that amount at the rate of 9% from the date of the award until the date the award is paid.

2. Claimant's second claim in the amount of \$400,000.00 is hereby denied.
3. Respondent's Counterclaim is hereby denied in its entirety.
4. The claims for punitive damages are denied.
5. All claims against Respondents, Cory Miner and Paul Brown are hereby dismissed.
6. Each party shall bear their respective costs of this action, including attorneys fees.

#### **FORUM FEES**

Pursuant to Section 44(c) of the Code of Arbitration Procedure, the following Forum Fees are assessed.

\$500.00	Non-refundable filing fee for claim
\$250.00	Non-refundable filing fee for Counterclaim
\$300.00	Pre-hearing conference (May 4, 1993)
\$300.00	Pre-hearing conference (July 6, 1993)
<u>\$24,000.00</u>	Hearing Session fees (16 sessions x \$1,500.00)
Total: \$25,350.00	

1. Total forum fees in the amount of \$25,350 are hereby assessed equally between the parties.
2. Claimant is therefore assessed the amount of \$12,675.00. Claimant is entitled to offset this amount with the \$2,000.00 previously paid to the NASD, Inc. Claimant is directed to pay the balance of \$10,675.00 to the NASD, Inc.
3. Respondent is assessed the amount of \$12,675.00. Respondent is entitled to offset this amount with the \$2,000.00 previously paid to the NASD, Inc. Respondent is directed to pay the balance of \$10,675.00 to the NASD, Inc.

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ARBITRATION PANEL

John J. O'Neill, Esq.

Industry Chairperson

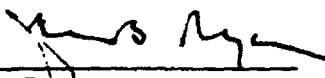
John B. Ryan

Industry Panelist

Kevin Ahearn

Industry Panelist

Concurring Arbitrator's Signature  
Name

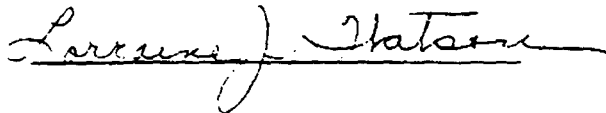
  
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John B. Ryan

Date of Decision: January 31, 1994

*New Jersey*  
STATE OF ~~NEW YORK~~  
COUNTY OF *Monmouth*

S.S.:

On this <sup>25</sup> day of January, 1994, before me personally appeared John B. Ryan known to me to be the individual described in and who executed the foregoing instrument and be duly acknowledged to me that he executed the same.

  
\_\_\_\_\_  
Lawrence J. Watson

ARBITRATION PANEL

John J. O'Neill, Esq.

Industry Chairperson

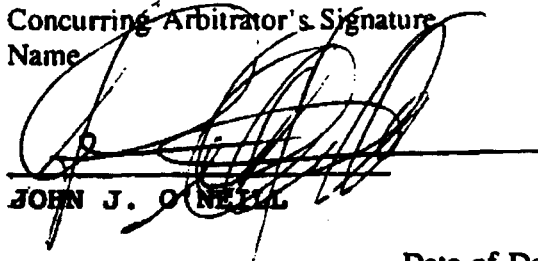
John B. Ryan

Industry Panelist

Kevin C. Ahearn

Industry Panelist

Concurring Arbitrator's Signature  
Name

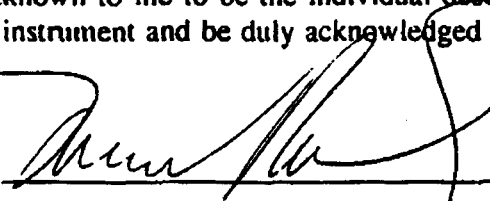
  
JOHN J. O'NEILL

Date of Decision: January 31, 1994

STATE OF NEW YORK  
COUNTY OF NASSAU

S.S.:

On this 28 day of January, 1994, before me personally appeared **JOHN J. O'NEILL** known to me to be the individual described in and who executed the foregoing instrument and be duly acknowledged to me that he executed the same.



MARIA BRODY  
Notary Public, State of New York  
No. 4832688  
Qualified in Nassau County  
Commission Expires July 28, 1994

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**ARBITRATION PANEL**

John J. O'Neill, Esq.

Industry Chairperson

John B. Ryan

Industry Panelist

Kevin Ahearn

Industry Panelist

Concurring Arbitrator's Signature  
Name

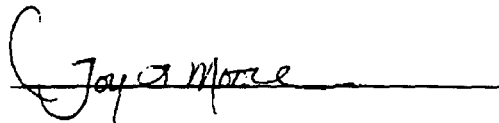
  
Kevin Ahearn

Date of Decision: January 31, 1994

STATE OF NEW YORK  
COUNTY OF *New York*

S.S.:

On this *26* day of January, 1994, before me personally appeared Kevin Ahearn known to me to be the individual described in and who executed the foregoing instrument and be duly acknowledged to me that he executed the same.



JOY L. MOORE  
Notary Public, State of New York  
No. 31-4610087  
Qualified in New York County *95*  
Commission Expires Oct. 26, 19