

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

J.W. Charles Securities Inc

96-02963

Name of Respondent

Jeffrey Liss

CASE SUMMARY

In a case filed with the National Association of Securities Dealers Regulation, Inc. on July 11, 1996, claimant JW Charles Securities ("JWC") through its representative and in-house counsel Gregory Tendrich, Esq. alleged that respondent Jeffrey Liss ("respondent") failed to repay a debt. Claimant alleged that on or about June 28, 1994 respondent executed a Promissory Note ("Note") evidencing his indebtedness to JWC in the amount of \$15,000.00, receipt of which was acknowledged. Claimant also alleged that the indebtedness was to be repaid by respondent over a two-year period at the rate of 50% of the Note on each anniversary date of the Note. Claimant asserted that on or about December 5, 1994 respondent resigned from JWC. Claimant further asserted that at the time of respondent's resignation he was indebted to JWC in the amount of \$15,000.00. Claimant also asserted that on February 6, 1995, it initiated an arbitration with the NASD against claimant in order to try and collect payment of the Note. Claimant contended that on or about June 12, 1995, it and respondent, negotiated a settlement agreement, where respondent agreed to pay JWC the sum of \$10,500.00 in full satisfaction of his debt. Claimant further contended that respondent has paid \$4,500.00 but has not paid the balance due. Claimant also contended that the Note permits that in the event payment is not made and default takes place, an award for the cost of collecting this Note, including attorneys' fees equal to 15% of the sum remaining unpaid, plus statutory interest of 12% to date of collection, should be entered.

Respondent Jeffrey Liss did not file an Answer to the Statement of Claim.

RELIEF REQUESTED

Claimant JW Charles Securities, Inc., requested \$6,000 in damages, statutory interest at the rate of 12% to date of collection, attorneys' fees of \$9,000.00, costs of pursuing this matter in the amount of \$575.00, reimbursement of the \$100.00 NASD Regulation member surcharge and any other relief the panel deems just and proper.

Respondent Jeffrey Liss did not file an Answer to the Statement of Claim.

OTHER ISSUES CONSIDERED & DECIDED

In accordance with 10203 of the Code of Arbitration Procedure, the respondent Jeffrey Liss, was served by regular mail and given an opportunity to respond, which he failed to do. In addition, service of the overdue answer notice and notification of the Arbitrator's identity was effected upon respondent Jeffrey Liss, and the signed signature cards were not returned to the NASD Regulation, Inc.

Pursuant to the by-laws of the NASD, the arbitrator determined that respondent Jeffrey Liss had notice of the claim, and was required to submit to this arbitration proceeding; and is, therefore bound by the arbitrator's ruling and determination.

AWARD

Pursuant to Section 10203 of the Code of Arbitration Procedure a single Industry Arbitrator, Noah Sorkin, was selected to review the matter in controversy between the parties set forth in submission to Arbitration signed by claimant JW Charles Securities on February 6, 1996. Respondent Jeffrey Liss did not file a submission to Arbitration, as required by Sections 10201 and 10203 of the Code of Arbitration Procedure.

And, the Arbitrator, having considered the proof of the parties, has decided and determined in full and final resolution of the issues submitted for determination as follows:

1. Respondent Jeffrey Liss be and is hereby liable and shall pay to the claimant \$6,000.00 in actual damages, plus 8.5% interest per annum from October 11, 1995 to the date of payment of the award.
2. Respondent Jeffrey Liss be and hereby liable and shall pay to the claimant \$900.00 in attorneys' fees, pursuant to the Registered Representative Agreement.
3. The \$575.00 filing fee previously deposited with National Association of Securities Dealers Regulation, Inc. by the claimant J.W. Charles Securities, Inc. shall be retained by the NASD Regulation, Inc. Respondent Jeffrey Liss by and is hereby liable and shall pay to the claimant J.W. Charles Securities, Inc. \$575.00 as reimbursement of the filing fee.
4. All other relief requests are denied.

AFFIRMATION

I, **Noah D. Sorkin, Esq.**, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument, which is my oath and award.

A handwritten signature in black ink, appearing to read 'Noah D. Sorkin, Esq.', written over a horizontal line.

Noah D. Sorkin, Esq.

Date of Decision: December 6, 1996