

AWARD

**NASD REGULATION, INC., OFFICE OF DISPUTE RESOLUTION**

In the matter of the Arbitration Between

Name of Claimant

Stephen Patterson and Albert A. Parisi

v.

Arbitration No.  
96-03222

Name of Respondent

Kensington Wells, Inc., Salvador Tacher,  
Steven Vornea, and Adam Levy

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**REPRESENTATION**

For Claimant:

Leonard Steiner  
Steiner & Libo  
Beverly Hills, California

For Respondent Salvador Tacher:

Michael A. Bertz, Esq.  
Attorney at Law  
Los Angeles, California

For Respondent Steven H. Vornea:

Scott Silver  
Gusrae, Kaplan & Bruno  
New York, New York

For Adam Levy:

Steven A. Buchwalter, Esq.  
Attorney at Law  
Encino, California

### CASE INFORMATION

Statement of Claim filed:	July 25, 1996
Claimants' Submission Agreement signed:	July 11, 1996
Statement of Answer filed by Respondents:	October 4, 1996
Respondent Kensington Wells, Inc.'s Submission Agreement signed:	October 1, 1996
Respondent Salvador Tacher's Submission Agreement signed:	October 10, 1996
Respondent Steven Vornea's Submission Agreement signed:	October 2, 1996
Respondent Adam Levy's Submission Agreement signed:	October 1, 1996

### HEARING INFORMATION

Pre Hearing Conference Dates / Sessions:	January 15, 1997 (1 Session) August 11, 1997 (1 Session) August 25, 1997 (1 Session) November 26, 1997 (1 Session)
Hearing Dates / Sessions:	June 15, 1998 (1 Session) September 25, 1998 (1 Session) October 1, 1998 (1 Session)
Hearing Location:	Los Angeles, California

### CASE SUMMARY

Claimants alleged misrepresentation, breach of fiduciary duty, and breach of contract.

Respondents denied each and every allegation of wrongdoing set forth in the Claimant's Statement of Claim.

### **RELIEF REQUESTED**

Claimants sought \$938,071.00 in compensatory damages, interest, costs, and attorneys' fees.

Respondents sought dismissal of Claimants' claim in its entirety.

### **OTHER ISSUES CONSIDERED AND DECIDED**

The parties have agreed that the Award in this matter may be executed either in counterpart copies or that a handwritten, signed Award may be entered. In either case, the parties have agreed to receive conformed copies of the Award while the original remains on file with the NASD Regulation, Inc., Office of Dispute Resolution.

Respondent Kensington Wells, Inc. filed for Bankruptcy on January 14, 1998, thereby staying this action against it.

On September 29, 1998, Claimants dismissed Respondent Salvador Tacher from this action with prejudice.

### **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. Respondents Steven Vornea and Adam Levy, jointly and severally, are liable to and shall pay Claimants \$176,867.00.
2. Each side shall bear its own costs including attorney's fees.

### FORUM FEES

Pursuant to Rule 10332(c) of the Code of Arbitration Procedure, the following forum fees are assessed:

Four (4) Pre-Hearing Conferences @ \$1,000.00/Conference	= \$4,000.00
<u>Three(3) Hearing Sessions @ \$1,000.00/Session</u>	<u>= \$3,000.00</u>
Total Fees Assessed	= \$7,000.00
 Claimants' Assessment (joint and several)	 = \$1,500.00
<u>Claimants' Credit for Hearing Session Deposit</u>	<u>=( \$1,000.00)</u>
Claimants' Balance Due (joint and several)	= \$ 500.00
 <u>Respondents Vornea and Levy's Assessment (joint and several)</u>	 <u>= \$5,500.00</u>
Respondents Vornea and Levy's Balance Due (joint and several)	= \$5,500.00

Fees are payable to NASD Regulation, Inc.

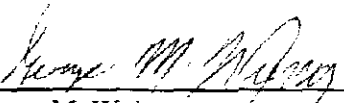
### OTHER FEES

Pursuant to Rule 10333 of the Code, Respondent Kensington Wells, Inc. has paid to NASD Regulation, Inc. the \$500.00 member surcharge previously invoiced.

**ARBITRATORS**

<u>Name</u> .....	<u>Public / Industry</u>
George M. Weiner, Esq.	Public Arbitrator
Gwendolyn J. Bandt	Industry Arbitrator
Charles Bloomfield	Public Arbitrator

Concurring Arbitrators' Signatures

  
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George M. Weiner

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Gwendolyn J. Bandt

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Charles Bloomfield

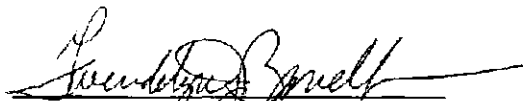
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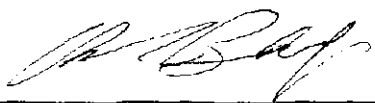
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