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NASD REGULATION, INC. AWARD

OFFICE OF DISPUTE RESOLUTION

In the Matter of the Arbitration Between

Name of Claimant

Rickel & Associates, Inc.

96-04916

Name of Respondent

Howard Silverman

REPRESENTATION

For Claimant Rickel & Associates, Inc. (claimant) appeared Peter Seiden, Esq. of
Schneck, Weltman, Hasmall & Mischel, New York, New York.

For Claimant Rickel &
Schneck, Weltman, H

For Respondent Howard Silverman (respondent) appeared Marc D. Powers, Esq.
of Parker, Duryee, Rosoff & Maft, New York, New York.

For Respondent Marc
of Parker, Duryee, Ros

CASE INFORMATION

Statement of Claim filed on or about October 31, 1996.

Claimant's Submission Agreement signed on: October 28, 1996.

Statement of Answer and Counterclaim filed by Respondent on February 10, 1997.

Respondent did not execute a Submission Agreement pursuant to Rule 10314 of the
Code of Arbitration Procedure.

Claimant's Reply to Statement of Answer and Counterclaim filed on or about
February 13, 1997.

HEARING INFORMATION

Hearing Date/Sessions: May 8, 1997/Two Sessions

Hearing Location: The hearing was held at the offices of NASD Regulation, Inc..

90061

New York, New York.

CASE SUMMARY

Claimant alleged that respondent commenced employment with claimant on August 4, 1995 pursuant to a written agreement (agreement). Claimant also alleged that it made advance payments totaling \$20,000 to respondent in connection with his employment which respondent had not repaid upon his termination. Claimant asserted that respondent had failed and refused to reimburse claimant for the advance payments.

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Respondent admitted that he received \$20,000 from claimant in connection with his employment. Respondent also maintained that he found and introduced numerous companies to claimant and negotiated possible financings with numerous companies. Respondent contended that the services he rendered to claimant would have amounted to at least \$250,000. Respondent alleged that this amount should be considered as a counterclaim against claimant and an offset against the advance payments made to him by claimant.

Claimant denied the allegations in respondent s counterclaim, alleged that the counterclaim failed to state a claim upon which relief could be granted and that respondent failed to mitigate his damages. Claimant also alleged that respondent s counterclaim was barred by the doctrine of unclean hands. Claimant asserted that the damages to respondent were caused in whole or in part by respondent and that respondent had failed to join and include all identifiable and indispensable parties. Claimant also asserted that it performed all its duties and obligations to respondent.

RELIEF REQUESTED

Claimant requested damages in an amount to be determined at the hearing but believed to be in excess of \$20,000.00 and all costs and expenses associated with the arbitration.

Respondent s counterclaim requested \$250,000.00.

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 Howard Silverman be and hereby is liable and shall pay to claimant Rickel & Associates the sum of \$17,621.37.

2. All other claims for relief are denied

FORUM FEES

Pursuant to Rule 10205 of the Code of Arbitration Procedure, the arbitrators have determined that NASD Regulation, Inc. shall retain the \$500.00 non-refundable filing fee deposited by claimant and the \$500 non-refundable filing fee deposited by respondent and have assessed the following Forum Fees:

2 sessions X \$750 = \$1500

Respondent Howard Silverman be and hereby is liable for the sum of \$1500 representing 100% of the forum fees assessed. Claimant has already deposited \$300 as a hearing session deposit. Respondent has already deposited \$750 as a hearing session deposit. Therefore, the sum of \$450 remains outstanding and is owed to NASD Regulation, Inc. Respondent owes \$450 to NASD Regulation, Inc. and owes \$300 to claimant.

Fees are payable to NASD Regulation, Inc.

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Concurring Arbitrators' Signatures
Name Public/Industry

Noah D. Sorkin, Esq.

Date of Decision: _____

RECIPIENTS:

Noah D. Sorkin, Esq.

The following Arbitrator(s) concur(s) with the award:

Noah D. Sorkin, Esq.

Charles L. Henderson, Esq

Martin Hovance

The following Arbitrator(s) dissent(s) with the award:

none