

Award
NASD Regulation, Inc.

In the Matter of the Arbitration Between:

Samuel J. Agosta, Jr., (Claimant) vs. ISG Capital Markets, LLC, (Respondent) vs. Greg LaBorde (Third Party Respondent)

Case Number: 99-00347

Hearing Site: New York, New York

REPRESENTATION OF PARTIES

Claimant Samuel J. Agosta, Jr., hereinafter referred to as "Claimant": Kenneth A. Elan, Esq., New York, New York.

Respondent ISG Capital Markets, LLC, hereinafter referred to as "ISG": Louis F. Burke, P.C., a sole practitioner, New York, New York.

Third Party Respondent Greg LaBorde, hereinafter referred to as "LaBorde": Omar A. Rizvi, Esq., New York, New York.

CASE INFORMATION

Statement of Claim filed on or about: January 22, 1999.

Claimant signed the Uniform Submission Agreement: January 21, 1999.

Reply to Counterclaim filed on or about: April 12, 1999.

Statement of Answer, Counterclaim, and Third Party Claim filed by ISG on or about: April 5, 1999.

ISG signed the Uniform Submission Agreement: April 6, 1999.

Answer and Counterclaim filed by LaBorde on or about: July 13, 1999.

LaBorde signed the Uniform Submission Agreement: July 22, 1999.

CASE SUMMARY

Claimant asserted the following cause of action: breach of employment contract.

Respondent denied the allegations made in the Statement of Claim and asserted the following defenses: Claimant failed to state a cause of action upon which relief may be granted; Claimant's claims are precluded by his breach of fiduciary duty; Claimant's claims are precluded by his breach of the agreement between Claimant and ISG; Claimant's claims are

precluded by his negligence; Claimant's claims are precluded by his breach of the implied duty of good faith and fair dealing; Claimant's claims are precluded by his fraudulent conduct; and, Claimant's claims are precluded by the doctrine of unclean hands.

In its Counterclaim and Third Party Claim, ISG asserted the following causes of action: breach of contract; conspiracy; breach of fiduciary duty; failure to supervise; and, fraud.

Claimant denied the allegations made in Respondent's Counterclaim.

LaBorde denied the allegations made in the Third Party Statement of Claim.

In his Counterclaim, LaBorde asserted the following cause of action: fraudulent inducement.

RELIEF REQUESTED

Claimant requested:

Compensatory Damages	\$14,238.25
Interest	unspecified
Attorneys' Fees	unspecified
Other Costs	unspecified
A pro rata portion of the underwriter's warrants to which he is entitled.	

Claimant requested a dismissal of the Counterclaim against him plus an award of reasonable costs and expenses, including attorneys' fees.

ISG requested that the Statement of Claim be dismissed in its entirety and requested from Claimant:

Compensatory Damages	\$10,000.00
Attorneys' Fees	\$ 7,500.00

ISG requested from LaBorde:

Compensatory Damages	\$15,000.00
Attorneys' Fees	\$ 7,500.00

LaBorde requested:

Compensatory Damages	\$15,000.00
----------------------	-------------

OTHER ISSUES CONSIDERED AND DECIDED

By letter dated March 6, 2000, Claimant notified NASD Regulation, Inc. that, with respect to all their claims and counterclaims, Claimant and ISG had reached a settlement. Therefore, no representative appeared at the hearing on behalf of Claimant.

AWARD

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

1. LaBorde be and hereby is liable for and shall pay to ISG the sum of \$7,600.00 in compensatory damages, plus interest in the statutory rate set by New York law, accruing from June 29, 1998 to April 1, 2000.
2. LaBorde be and hereby is liable for and shall pay to ISG attorney's fees in the amount of \$2,000.00, as provided by the employment contract.
3. All other requests for relief are hereby denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Regulation, Inc. will retain or collect the non-refundable filing fees for each claim:

Initial claim filing fee	= \$ 500.00
Third Party Claim filing fee	= \$ 500.00
Counterclaim filing fee	= \$ 500.00

Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firms that employed the associated persons at the time of the event giving rise to the dispute. In this matter, ISG Capital Markets, LLC is a party.

Member surcharge	= \$ 400.00
------------------	-------------

Forum Fees and Assessments

The Arbitrator assesses forum fees for each hearing session conducted. A hearing session is any meeting between the parties and the arbitrator, including a pre-hearing conference with the arbitrator, that lasts four (4) hours or less. Fees associated with these proceedings are:

One (1) Pre-hearing session with a single arbitrator x \$300.00	= \$ 300.00
Pre-hearing conference: November 29, 1999 1 session	
One (1) Hearing sessions x \$300.00	= \$ 300.00
Hearing Date: March 7, 2000 1 session	
Total Forum Fees	= \$ 600.00

1. The Arbitrator has assessed \$300.00 of the forum fees against ISG.
2. The Arbitrator has assessed \$300.00 of the forum fees against LaBorde.

Fee Summary

1. Claimant be and hereby is solely liable for:

Initial Filing Fee	= \$ 500.00
Total Fees	= \$ 500.00
Less payments	= \$ 800.00
Refund Due Claimant	= \$ 300.00

2. ISG and hereby is solely liable for:

Third Party Claim Filing Fee	= \$ 500.00
Member Fees	= \$ 400.00
Forum Fees	= \$ 300.00
Total Fees	= \$1,200.00
Less payments	= \$ 400.00
Balance Due NASD Regulation, Inc.	= \$ 800.00


3. LaBorde be and hereby is solely liable for:

Counterclaim Filing Fee	= \$ 500.00
Forum Fees	= \$ 300.00
Total Fees	= \$ 800.00
Less payments	= \$ 0.00
Balance Due NASD Regulation, Inc.	= \$ 800.00

All balances are due and payable to NASD Regulation, Inc.

Arbitrator's Signature

I, the undersigned arbitrator, 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 award.


Charles E. Stewart, Esq.
Industry Arbitrator, Presiding Chair

March 30, 2000
Signature Date

April 4, 2000
Date of Service (For NASD office use only)