

**Stipulated Award**  
**NASD Dispute Resolution, Inc.**

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In the Matter of the Arbitration Between

**Names of Claimants**

Charles and Michelle Levin

Case No. 99-04359

**Names of Respondents**

Josephthal & Co., Inc.  
Adam Kenneth Stern  
Timothy Andrew Craig  
William Robley Ebert, Jr.

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**REPRESENTATION OF PARTIES**

For Charles and Michelle Levin, hereinafter collectively referred to as "Claimants": Darren C. Blum, Esq., Hollywood, FL.

For Josephthal & Co., Inc. ("Josephthal"), Adam Kenneth Stern ("Stern"), Timothy Andrew Craig ("Craig"), and William Robley Ebert, Jr. ("Ebert"), hereinafter collectively referred to as "Respondents": Brian J. Neville, Esq. of Kogan Taubman & Neville, LLC, New York, NY.

**CASE INFORMATION**

Statement of Claim filed on or about: September 24, 1999.  
Claimants signed the Uniform Submission Agreement: September 8, 1999.  
Statement of Answer filed by Respondents on or about: December 16, 1999.  
Respondent Josephthal signed the Uniform Submission Agreement: January 7, 2000.  
Respondent Stern signed the Uniform Submission Agreement: January 5, 2000.  
Respondent Craig signed the Uniform Submission Agreement: January 6, 2000.  
Respondent Ebert signed the Uniform Submission Agreement: January 6, 2000.

**CASE SUMMARY**

Claimants asserted the following causes of action: violation of industry rules; violation of Section 517.301 of the Florida Securities and Investor Protection Act; breach of fiduciary duty; violation of Rule 10b-5 under Section 10b of the Securities and Exchange Act of 1934; common law fraud; negligence; common law gross negligence; breach of contract; and, negligent supervision.

Unless specifically admitted in its Answer, Respondents denied the allegations made in the Statement of Claim and asserted various affirmative defenses.

### **RELIEF REQUESTED**

Claimants requested compensatory damages in excess of \$200,000.00, pre-judgment interest, attorneys' fees, punitive damages, costs, and such other relief as is just and proper.

Respondents requested dismissal of Claimants' Statement of Claim in its entirety, the costs and expenses incurred in the defense of this case, an award specifically ordering the expungement of all references to the above captioned arbitration from Respondents Stern, Craig, and Ebert's registration records maintained by the NASD Central Registration Depository ("CRD"), and any other relief as the Panel deemed just and equitable.

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

On or about October 31, 2000, the parties filed a stipulation with NASD Dispute Resolution, Inc. wherein all parties agreed to the following: to dismiss, with prejudice, all claims that were asserted or could have been asserted against Respondents Josephthal, Stern, Craig, and Ebert; that jurisdiction for confirmation of the Award would be in the United States District Court, Southern District of New York, the New York State Supreme Court, New York County, or any other court of competent jurisdiction; to accept service in any subsequent proceeding to confirm this Award by Certified U.S. Postal Mail to its counsel; to not oppose any motion to confirm this Award; to bear their own costs and attorneys' fees; that Respondent Josephthal shall bear any NASD cost for the issuance of this Award; and, that the Panel should issue an order expunging all references to the above captioned arbitration from Respondents Stern, Craig, and Ebert's registration records maintained by the NASD CRD.

The parties have agreed that the Award in this matter may be executed in counterpart copies or that a handwritten, signed Award may be entered.

### **AWARD**

After considering the pleadings, and the Stipulated Award submitted by counsel, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

The Panel recommends the expungement of all references to the above-captioned arbitration from Respondents Adam Kenneth Stern, Timothy Andrew Craig, and William Robley Ebert, Jr.'s registration records maintained by the NASD CRD, with the understanding that pursuant to NASD Notice to Members 99-09, Respondents Adam Kenneth Stern, Timothy Andrew Craig, and William Robley Ebert, Jr. must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

### **FEES**

Pursuant to the Code, the following fees are assessed:

### **Filing Fees**

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

Initial claim filing fee = \$ 300.00

### **Member Fees**

Member fees are assessed to each member firm that is a party in these proceedings or to the member firm(s) that employed the associated person(s) at the time of the event(s) giving rise to the dispute. In this matter, the member firm, Josephthal, is a party.

Member surcharge = \$1,500.00

Pre-hearing process fee = \$ 600.00

Hearing process fee = \$2,500.00

### **Adjournment Fees**

Adjournments requested during these proceedings:

August 28-31, 2000, joint adjournment request by all parties. = \$1,125.00

The Panel assessed fifty percent (50%) of the adjournment fee against Claimants, jointly and severally, and fifty percent (50%) of the adjournment fee against Respondents, jointly and severally.

### **Forum Fees and Assessments**

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

No hearings were conducted in this matter.

### **Fee Summary**

Claimants be and hereby are jointly and severally liable for:

Initial Filing Fee = \$ 300.00

Adjournment Fee = \$ 562.50

Total Fees = \$ 862.50

Less payments = \$ 862.50

Balance Due NASD Dispute Resolution, Inc. = \$ 0.00

Respondent Josephthal be and hereby is solely liable for:

Member Fees = \$4,600.00

Total Fees = \$4,600.00

Less payments = \$4,600.00

Balance Due NASD Dispute Resolution, Inc. = \$ 0.00

Respondents be and hereby are jointly and severally liable for:

Adjournment Fee = \$ 562.50

Total Fees	= \$ 562.50
<u>Less payments</u>	<u>= \$ 0.00</u>
Balance Due NASD Dispute Resolution, Inc.	= \$ 562.50

All balances are payable to NASD Dispute Resolution, Inc. and are due immediately upon receipt of the Award by the parties.

**Concurring Arbitrators' Signatures**

/s/

\_\_\_\_\_  
Ronald A. Ronz, CPA  
Public Arbitrator, Presiding Chair

\_\_\_\_\_  
Signature Date

/s/

\_\_\_\_\_  
Andrew J. Bolnick  
Public Arbitrator

\_\_\_\_\_  
Signature Date

/s/

\_\_\_\_\_  
Elizabeth A. Akom  
Industry Arbitrator

\_\_\_\_\_  
Signature Date

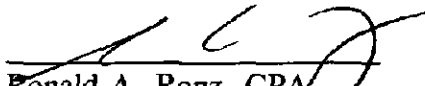
March 14, 2001

Date of Service (For NASD-DR office use only)

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Public Arbitrator, Presiding Chair

2/6/01  
\_\_\_\_\_  
Signature Date

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Andrew J. Bolnick  
Public Arbitrator

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Signature Date

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Signature Date

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**RECEIVED**

MAR - 7 2001

Total Fees  
Less payments  
Balance Due NASD Dispute Resolution, Inc.

**FL ARBITRATION** = \$ 562.50  
= \$ 0.00  
= \$ 562.50

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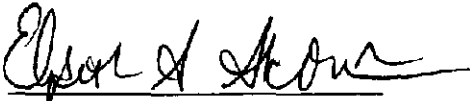
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