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Stipulated Award
NASD Dispute Resolution, Inc.

In the Matter of the Arbitration Between:

Prime Charter LTD., (Claimant) vs. Joaquin R. Gager, (Respondent)

Case Number: 99-04466

Hearing Site: New York City, New York

REPRESENTATION OF PARTIES

Claimant, Prime Charter LTD ("Prime"), hereinafter referred to as "Claimant": Scott D. Stechman, Esq., Lehman & Eilen LLP, Uniondale, NY.

Respondent, Joaquin R. Gager ("Gager"), hereinafter referred to as "Respondent", did not make an appearance in this matter.

CASE INFORMATION

Statement of Claim filed on or about: September 27, 1999.

Claimant signed the Uniform Submission Agreement: September 23, 1999.

Respondent did not file a Statement of Answer.

Respondent did not sign the Uniform Submission Agreement.

CASE SUMMARY

Claimant alleged that Respondent breached his obligation to repay a promissory note.

RELIEF REQUESTED

Claimant requested the sum of \$59,741.08, representing the principal unpaid balance due and owing under the promissory note, interest at the rate of 9% per annum from January 13, 1999 to the date of payment, costs, including but not limited to attorney's fees, and such other and further relief as the Panel deems appropriate.

STIPULATION

IT IS HEREBY STIPULATED, CONSENTED AND AGREED, by and among the parties to this arbitration proceeding as follows:

Pursuant to the NASD Code of Arbitration Procedure, Claimant Prime Charter LTD. ("Prime Charter") filed a Statement of Claim against Respondent Joaquin Gager ("Gager"), Case No. 99-04466 (the "Arbitration"). By agreement of the parties, it is respectfully requested that the foregoing Stipulated Arbitration Award (the "Stipulated Award") be entered by the Panel as is more specifically described herein.

1. Prime Charter and Gager entered into a certain Settlement Agreement dated as of July 27, 2000, a copy of which is attached as "Exhibit 1". Pursuant to the terms of the Settlement Agreement, Gager agreed to pay to Prime Charter the sum of Seventy Thousand (\$70,000.00) Dollars, payment to be made as follows: for the first twenty-four (24) months after execution of the Settlement Agreement, Gager shall pay to Prime Charter an amount equal to ten (10%) percent of his earnings generated from his employment activities at Ladenburg, Thalmann & Co., Inc. ("Ladenburg") or any other subsequent employer, such amount to be calculated after taxes and before all other payroll deductions. Such payments are to be made by check or money order payable to "Prime Charter LTD." and delivered to Prime Charter no later than the twentieth ("20th") day of each month. On the first ("1st") day of the twentieth (20th) month following the execution of the Settlement Agreement, Gager shall make a balloon payment to Prime Charter in the amount of the balance of the Seventy Thousand (\$70,000.00) Dollars then due and owing.

2. It was further agreed in the Settlement Agreement that in the event of a default in the payments required thereunder, this Stipulated Award shall become operative.

3. In the event of a default under the terms of the Settlement Agreement, Gager has agreed that this Stipulated Award may be confirmed in a court of competent jurisdiction and converted into a judgment against him, and in favor of Prime Charter, in the amount of Seventy Thousand (\$70,000.00) Dollars, less any amounts paid by Gager under the Settlement Agreement, plus interest on any unpaid amount at the rate of nine (9%) percent per annum from the date of default, plus costs, including attorney's fees incurred in confirming this Stipulated Award and converting same into a judgement in a court of competent jurisdiction.

4. By the signature below of the parties to the Arbitration, the parties all agree that the Arbitrators who determined this matter shall have the power to sign this Stipulated Award in the amount of Seventy Thousand (\$70,000.00) Dollars, less any amount paid by Gager under the Settlement Agreement, plus interest on any unpaid amount at the rate of nine (9%)

percent per annum, from the date of default, plus costs, including attorneys' fees incurred in confirming this Stipulated Award and converting same into a judgement in a court of competent jurisdiction.

AWARD

WHEREFORE, it is hereby ordered that:

1. Respondent Joaquin Gager shall pay to Claimant Prime Charter LTD. the sum of Seventy Thousand (\$70,000.00) Dollars, payment to be made as follows:

- a. for the first twenty-four (24) months after execution of the Settlement Agreement, Gager shall pay to Prime Charter an amount equal to ten (10%) percent of his earnings generated from his employment activities at Ladenburg or any other subsequent employer, such amount to be calculated after taxes and before all other payroll deductions;
- b. such payments are to be made by check or money order payable to "Prime Charter LTD." and delivered to Prime Charter no later than the twentieth (20th) day of each month; and
- c. on the first (1st) day of the twentieth (20th) month following the execution of the Settlement Agreement, Gager shall make a balloon payment to Prime Charter in the amount of the balance of the Seventy Thousand (\$70,000.00) Dollars then due and owing.

2. In the event of a default by Gager of his payment obligations to Prime Charter under the terms of the Settlement Agreement by and between these parties. (Exhibit "1" hereto), this Stipulated Award may be confirmed in a court of competent jurisdiction and converted into a judgment against Gager and in favor of Prime Charter in the amount of Seventy-Thousand (\$70,000.00) Dollars, less any amounts paid under the Settlement agreement, plus interest on any unpaid amount at the rate of nine (9%) percent per annum from the date of default, plus costs, including attorneys' fees incurred in confirming this Stipulated Award and converting same into a judgement in a court of competent jurisdiction.

OTHER ISSUES CONSIDERED AND DECIDED

Respondent did not file with the NASD Dispute Resolution, Inc. a properly executed submission to arbitration but is required to submit to arbitration pursuant to the Code and having appeared and testified at the hearing, is bound by the determination of the Panel on all issues submitted.

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

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 = \$1,000.00

Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firm that employed the associated person at the time of the events giving rise to the dispute. In this matter, the member firm Prime Charter is a party.

Member surcharge = \$1,000.00

Pre-hearing process fee = \$600.00

Hearing process fee = \$1,500.00

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 arbitrators, including a pre-hearing conference with the arbitrators, that lasts four (4) hours or less. Fees associated with these proceedings are:

One (1) Pre-hearing session with Panel x \$750.00 = \$750.00

Pre-hearing conference: June 19, 2000 1 session

One (1) Hearing sessions x \$750.00 = \$750.00

Hearing Date:

July 13, 2000 1 session

Total Forum Fees = \$1,500.00

1. The Panel has assessed \$750.00 of the forum fees against Claimant.
2. The Panel has assessed \$750.00 of the forum fees against Respondent.

Fee Summary

1. Claimant be and hereby is solely liable for:

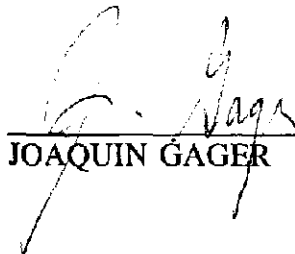
Initial Filing Fee	= \$1,000.00
Member Fees	= \$3,100.00
<u>Forum Fees</u>	= \$ 750.00
Total Fees	= \$4,850.00
<u>Less payments</u>	= \$3,350.00
Balance Due NASD Regulation, Inc.	= \$1,500.00

2. Respondent be and hereby is solely liable for:

<u>Forum Fees</u>	= \$ 750.00
Total Fees	= \$ 750.00
<u>Less payments</u>	= \$ 0.00
Balance Due NASD Regulation, Inc.	= \$ 750.00

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

Dated: August 15, 2000



JOAQUIN GAGER

PRIME CHARTER, LTD.

By: _____
Steven Schwartz, CEO

Fee Summary

1. Claimant be and hereby is solely liable for:

Initial Filing Fee	= \$1,000.00
Member Fees	= \$3,100.00
<u>Forum Fees</u>	<u>= \$ 750.00</u>
Total Fees	= \$4,850.00
<u>Less payments</u>	<u>= \$3,350.00</u>
Balance Due NASD Regulation, Inc.	= \$1,500.00

2. Respondent be and hereby is solely liable for:

<u>Forum Fees</u>	<u>= \$ 750.00</u>
Total Fees	= \$ 750.00
<u>Less payments</u>	<u>= \$ 0.00</u>
Balance Due NASD Regulation, Inc.	= \$ 750.00

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

Dated: August 22, 2000

JOAQUIN GAGER

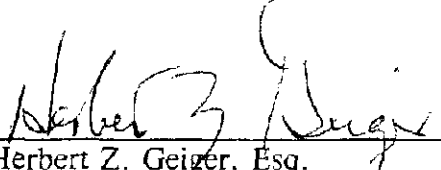
PRIME CHARTER, LTD

By: _____

Stephen Schwartz, CEO

Concurring Arbitrators' Signatures

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.



Herbert Z. Geiger, Esq.
Industry Arbitrator, Presiding Chair

9/3/00

Signature Date

Martin Hunger, Esq.
Industry Arbitrator

Signature Date

Steve Harris
Industry Arbitrator

Signature Date

September 15, 2000

Date of Service (For NASD office use only)

Concurring Arbitrators' Signatures


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.

Herbert Z. Geiger, Esq.
Industry Arbitrator, Presiding Chair

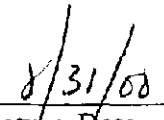
Signature Date

Martin Hunger, Esq.
Industry Arbitrator

Signature Date



Steve Harris
Industry Arbitrator



Signature Date

September 15, 2000

Date of Service (For NASD office use only)

Concurring Arbitrators' Signatures

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.

Herbert Z. Geiger, Esq.
Industry Arbitrator, Presiding Chair

Signature Date



Martin Hanger, Esq.
Industry Arbitrator

Sept. 5, 2000

Signature Date

Steve Harris
Industry Arbitrator

Signature Date

September 15, 2000
Date of Service (For NASD office use only)

Exhibit "1"

UNDER THE CODE OF ARBITRATION PROCEDURE
OF THE
NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

-----X
PRIME CHARTER LTD.,

NASD Arbitration
No. 99-04466

Claimant,

SETTLEMENT AGREEMENT

- against -

JOAQUIN GAGER,

Respondent.
-----X

This Settlement Agreement (the "Agreement"), is entered into as of this 27th day of July, 2000, by and between Prime Charter, LTD. ("Prime Charter"), and Joaquin Gager ("Gager").

WHEREAS, Prime Charter has filed an Arbitration with the NASD Regulation, Inc., entitled Prime Charter, Ltd. v. Joaquin Gager, NASD Arbitration No. 99-04466 (the "Arbitration"), alleging breach by Gager of his contractual obligation to repay the sum of \$59,741.08, plus interest, pursuant to the express terms of a promissory note loan agreement executed by Gager on December 14, 1998 (the "Promissory Note").

WHEREAS, Gager has filed a Statement of Answer expressly acknowledging his indebtedness to Prime Charter and seeking a reasonable period of time within which to pay the amount owed.

WHEREAS, the parties hereto now desire to settle and dispose of the above matter.

NOW THEREFORE, in consideration of the execution of this Agreement and the mutual promises contained herein, the parties agree as follows:

1. Payment. Upon the execution and delivery of this Agreement, Gager agrees to pay Prime Charter, in full and final settlement of any and all claims it has against him in connection with the Arbitration and Promissory Note, the sum of Seventy Thousand (\$70,000.00) Dollars, payable as follows: for the first twenty four (24) months after the execution of the Agreement, Gager shall pay to Prime Charter an amount equal to ten (10%) percent of his earnings generated from his employment activities at Ladenburg, Thalmann & Co., Inc. ("Ladenburg"), or any other or subsequent employer, after taxes and before all other payroll deductions. Such payments shall be made to by check or money order payable to "Prime Charter, LTD." and be delivered to Prime Charter no later than the twentieth (20th) day of each month. On the first day of the twenty-fifth (25th) month following the execution of this Agreement, Gager shall make a balloon payment to Prime Charter in the amount of the balance of the Seventy Thousand (\$70,000.00) Dollars then due and owing.

2. Verification of Income. Simultaneous with each monthly payment to Prime Charter, Gager shall provide Prime Charter with his monthly income statement or other document received from Ladenburg, or any other or subsequent employer, evidencing his income generated for that monthly period.

3. Representations, Covenants and Warranties. Gager represents, covenants and warrants: (a) that all commissions, payments and other compensation received by him generated from his employment activities at Ladenberg, or subsequent securities industry emplouyer, shall be accrued through his registered representative number; and (b) that

no earnings generated from his employment activities at Ladenburg, or any subsequent employer, shall be diverted or otherwise assigned to third parties in contravention of this Agreement.

4. Default. In the event that Gager defaults in his payment obligations under this Agreement, Prime Charter shall have the right to enter the Stipulated Arbitration Award entered into by the parties (a copy of which is annexed hereto as Exhibit "1") as a judgment in a court of competent jurisdiction for the full amount then due and owing, together with interest at the rate of nine (9%) percent per annum accruing from the date of default and costs, including attorneys' fees, giving credit to Gager for any amounts that have already been paid in accordance with this Agreement.

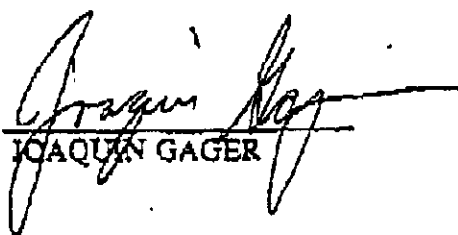
5. Release. In consideration and upon satisfaction of the payments provided in Paragraph "1" hereof, Prime Charter shall provide Gager with a Release releasing Gager from any and all claims, demands, liabilities, actions and causes of actions of any nature or sort, liquidated or unliquidated, past and present, asserted or unasserted, known or unknown, which it may or might have against Gager arising from or in connection with the Arbitration and Promissory Note.

6. Entire Agreement. This Agreement constitutes the entire agreement between the parties and supersedes all prior agreements, negotiations and understandings pertaining to the subject matter thereof. This Agreement may not be modified except by a writing signed by all parties.

8. Counterparts. This Agreement may be executed in fax counterparts, each of which shall be deemed an original for all purposes and both of which shall together

constitute one and the same instrument. This Agreement and the rights of the parties hereto shall be construed according to the internal laws of the State of New York without regard to conflict of laws. The terms of this Agreement shall be deemed severable.

9. Binding Impact. This Agreement shall bind and inure to the benefit of the parties, their respective affiliates, subsidiaries, predecessors, successors, assigns, agents, officers, directors, shareholders, employees and legal representatives, and for any other partnerships, corporations, sole proprietorships or other entities owned or controlled by any of them.


JOAQUIN GAGER

PRIME CHARTER, LTD.

By: _____
Stephen Schwartz, CEO

constitute one and the same instrument. This Agreement and the rights of the parties hereto shall be construed according to the internal laws of the State of New York without regard to conflict of laws. The terms of this Agreement shall be deemed severable.

9. Binding Impact. This Agreement shall bind and inure to the benefit of the parties, their respective affiliates, subsidiaries, predecessors, successors, assigns, agents, officers, directors, shareholders, employees and legal representatives, and for any other partnerships, corporations, sole proprietorships or other entities owned or controlled by any of them.

PRIME CHARTER, LTD.

JOAQUIN GAGER

By: 

Stephen Schwartz, CEO

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On this 27 day of July, 2000, before me appeared Joaquin Gager, to me known and personally known to me to be the person described in and who in my presence executed the within Settlement Agreement and in my presence acknowledged to me that he executed the same.

JOCELYN SEON
Notary Public, State of New York
Qualified in Queens County
My Commission Expires 04/09/2001

Jocelyn Seon
NOTARY PUBLIC

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On this ____ day of July, 2000, before me appeared Stephen Schwartz to me known who, being duly sworn, did depose and say that he is the Chief Executive Officer of Prime Charter, LTD., the corporation described in, and which executed the foregoing Settlement Agreement; that he was authorized by the corporation to execute the within Settlement Agreement; and who in my presence acknowledged to me that he executed the same.

NOTARY PUBLIC

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On this ____ day of July, 2000, before me appeared Joaquin Gager, to me known and personally known to me to be the person described in and who in my presence executed the within Settlement Agreement and in my presence acknowledged to me that he executed the same.

NOTARY PUBLIC

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On this 28 day of July, 2000, before me appeared Stephen Schwartz to me known who, being duly sworn, did depose and say that he is the Chief Executive Officer of Prime Charter, LTD., the corporation described in, and which executed the foregoing Settlement Agreement; that he was authorized by the corporation to execute the within Settlement Agreement; and who in my presence acknowledged to me that he executed the same.

Gabrielle M. Kissane

NOTARY PUBLIC

GABRIELLE M. KISSANE
Notary Public, State of New York
No. 01K16047168
Qualified in Suffolk County
Commission Expires July 31, 20 01