

**Award
FINRA Dispute Resolution**

In the Matter of the Arbitration Between:

Claimant
Deborah Rene Schwartz

Case Number: 11-00621

vs.

Respondents
Broadhaven Capital Partners, LLC
Thomas Kim
Pritzker Company, LLC
The UNX Companies LLC
UNX LLC

Hearing Site: Los Angeles, California

Nature of the Dispute: Associated Person vs. Member, Associated Person, and Non-Members

REPRESENTATION OF PARTIES

For Claimant Deborah Rene Schwartz, hereinafter referred to as "Claimant": Michael Blumenfeld, Esq., Freeman, Freeman & Smiley, LLP, Los Angeles, California.

For Respondents Broadhaven Capital Partners, LLC ("Broadhaven"), Pritzker Company, LLC ("Pritzker"), The UNX Companies LLC ("UNX Companies"), and UNX LLC: Todd R. Wulffson, Esq., Carothers, DiSante & Freudenberger LLP, Irvine, California.

For Respondent Thomas Kim ("Kim"): Michael E. Grenert, Esq., Liddle & Robinson, LLP, New York, New York.

CASE INFORMATION

Statement of Claim filed on or about: February 11, 2011.

First Amended Statement of Claim filed on or about: August 12, 2011.

Claimant signed the Submission Agreement: February 8, 2011.

Statement of Answer filed by Respondents Broadhaven, Pritzker, UNX Companies, UNX LLC and Kim, on or about: April 11, 2011.

Statement of Answer to First Amended Statement of Claim filed by Respondents Broadhaven, Pritzker, UNX Companies, UNX LLC and Kim, on or about: September 8,

2011.

Broadhaven signed the Submission Agreement: April 7, 2011.

Pritzker signed the Submission Agreement: April 8, 2011.

UNX Companies signed the Submission Agreement: April 6, 2011.

UNX LLC signed the Submission Agreement: April 6, 2011.

Kim signed the Submission Agreement: April 6, 2011.

CASE SUMMARY

In the Statement of Claim, Claimant asserted the following causes of action: wrongful termination in violation of public policy; fraud; negligent misrepresentation; fraudulent inducement of employment in violation of Labor Code Section 970; conspiracy to defraud and wrongfully terminate Claimant; breach of contract; breach of implied covenant of good faith and fair dealing; and negligence. The causes of action relate to Claimant's employment with UNX Companies.

In the First Amended Statement of Claim, Claimant added a claim for expungement of her Form U5.

Unless specifically admitted in their Answers, Respondents Broadhaven, Pritzker, UNX Companies, UNX LLC and Kim denied the allegations made in the Statement of Claim and First Amended Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

In the Statement of Claim, Claimant requested:

1. General and consequential damages in an amount according to proof but not less than \$1,000,000.00;
2. General and consequential damages in an amount according to proof but not less than \$1,000,000.00 for violation of California Labor Code Section 970;
3. Punitive and exemplary damages in an amount sufficient to punish and make an example of defendants for alleged wrongful conduct;
4. Prejudgment and post-judgment interest as allowed by law;
5. Attorneys' fees and costs as allowed by law and pursuant to contract;
6. Costs of suits incurred; and
7. Such other and further relief as the Panel deems just and proper.

In the First Amended Statement of Claim, Claimant added a request for an award finding that (a) the information stated in Claimant's Form U5 is false; (b) Claimant's Form U5 is ordered expunged so that it no longer reflects an involuntary termination, and the reason for termination be changed to "Voluntary"; (c) section 3 of Claimant's Form U5 is ordered to state "no" instead of "yes"; and (d) the statements under "Reasons for Termination" in section 3 of Claimant's Form U5 are ordered expunged and the accompanying Disclosure Reporting Page deleted.

In their Answers to the Statement of Claim and First Amended Statement of Claim, Respondents Broadhaven, Pritzker, UNX Companies, UNX LLC and Kim requested:

1. A decision be found in favor of the Respondents;
2. Claimant take nothing by way of her submission;
3. Costs of suit incurred in defense of this action, including their reasonable attorneys' fees; and
4. Such further and other relief as the Panel may deem just and proper.

OTHER ISSUES CONSIDERED AND DECIDED

The Arbitrators acknowledge that they have each read the pleadings and other materials filed by the parties.

On July 12, 2011, Claimant filed an Unopposed Motion for Leave to Amend the Statement of Claim to Include a Claim for Expungement of the Form U5 Language. By Order dated August 9, 2011, the Panel granted Claimant's motion.

At the hearing, Chairperson Daniel David Kopman notified the parties that he has been reclassified from a Public arbitrator to a Non-public arbitrator pursuant to Rule 12100(p)(3) of the Code of Arbitration Procedure (the "Code"). The parties subsequently accepted the Panel's composition.

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, the testimony and evidence presented at the hearing, and the post-hearing submissions, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. The Panel recommends the expungement of the Termination Explanation from Section 3 of Claimant Deborah Rene Schwartz's (CRD# 4281942) Form U5, filed on January 27, 2011 by UNX LLC and maintained by the Central Registration Depository ("CRD"). The current Termination Explanation shall be deleted in its entirety and replaced with "POSITION ELIMINATED." The Reason for Termination shall remain "DISCHARGED." These recommendations are made with the understanding that Claimant Deborah Rene Schwartz must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

The Form U5 is not automatically amended to include the changes indicated above. Claimant Deborah Rene Schwartz must forward a copy of the court order to FINRA's Registration and Disclosure Department for the amendments to be incorporated into Claimant's CRD records. Claimant's registration records are not automatically amended to include the changes indicated above.

2. UNX LLC is liable for and shall pay to Claimant \$200.00 as reimbursement for the

Claimant's initial claim filing fee.

3. All other claims by Claimant are denied in their entirety.
4. Each party shall bear their own costs and attorneys' fees.
5. Any and all relief not specifically addressed herein, including punitive damages, is denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

FINRA Dispute Resolution assessed a filing fee* for each claim:

| | |
|--------------------------|---------------|
| Initial Claim Filing fee | = \$ 1,800.00 |
|--------------------------|---------------|

**The filing fee is made up of a non-refundable and a refundable portion.*

Pursuant to Armendariz v. Foundation Health Psychcare Services, Inc., 24 Cal.4th 83 (2000), Claimant is assessed a \$200.00 filing fee. The balance of the non-refundable portion of Claimant's filing fee, in the amount of \$400.00, is assessed to UNX LLC.

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. Accordingly, as a party, UNX LLC is assessed the following:

| | |
|----------------------------|---------------|
| Member Surcharge | = \$ 2,800.00 |
| Pre-Hearing Processing Fee | = \$ 750.00 |
| Hearing Processing Fee | = \$ 5,000.00 |

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

| | |
|--|--------------|
| February 22-24, 27-29, March 1-2, 5-7, 2012 adjournment by parties | = \$1,200.00 |
|--|--------------|

| | |
|---|----------|
| July 16, 2012 adjournment by Respondents Broadhaven, Pritzker, UNX Companies and UNX LLC | = WAIVED |
|---|----------|

The Panel has assessed \$1,200.00 of the adjournment fees to Respondent UNX LLC pursuant to Armendariz v. Foundation Health Psychcare Services, Inc., 24 Cal.4th 83 (2000).

Hearing Session Fees and Assessments

The Panel has assessed hearing session fees for each session conducted. A 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:

Three (3) Pre-hearing sessions with a single arbitrator @ \$450.00/session = \$1,350.00

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|---|-------------------|------------|--------------------|
| Pre-hearing conferences: | December 16, 2011 | 1 session | |
| | December 22, 2011 | 1 session | |
| | February 21, 2012 | 1 session | |
| Four (4) Pre-hearing sessions with the Panel @ \$1,200.00/session | | | = \$4,800.00 |
| Pre-hearing conferences: | June 20, 2011 | 1 session | |
| | January 27, 2012 | 1 session | |
| | February 8, 2012 | 1 session | |
| | February 27, 2012 | 1 session | |
| Twenty two (22) Hearing sessions @ \$1,200.00/session | | | =\$26,400.00 |
| Hearing Dates: | July 9, 2012 | 2 sessions | |
| | July 10, 2012 | 2 sessions | |
| | July 11, 2012 | 3 sessions | |
| | July 12, 2012 | 2 sessions | |
| | July 13, 2012 | 2 sessions | |
| | July 17, 2012 | 3 sessions | |
| | July 30, 2012 | 3 sessions | |
| | July 31, 2012 | 3 sessions | |
| | August 1, 2012 | 2 sessions | |
| <hr/> Total Hearing Session Fees | | | <hr/> =\$32,550.00 |

The Panel has waived \$1,200.00 of the hearing session fees.

The Panel has assessed \$31,350.00 of the hearing session fees to Respondent UNX LLC, pursuant to Armendariz v. Foundation Health Psychcare Services, Inc., 24 Cal.4th 83 (2000).

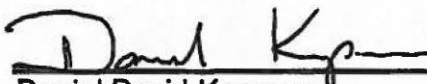
All balances are payable to FINRA Dispute Resolution and are due upon receipt.

ARBITRATION PANEL

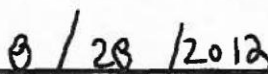
| | | |
|-----------------------|---|---|
| Daniel David Kopman | - | Non-Public Arbitrator, Presiding Chairperson |
| Anita Rae Shapiro | - | Public Arbitrator |
| Montgomery G. Griffin | - | Non-Public Arbitrator |

I, the undersigned Arbitrator, do hereby affirm that I am the individual described herein and who executed this instrument which is my award.

Concurring Arbitrators' Signatures



Daniel David Kopman
Non-Public Arbitrator, Presiding Chairperson



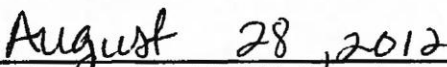
Signature Date

Anita Rae Shapiro
Public Arbitrator

Signature Date

Montgomery G. Griffin
Non-Public Arbitrator

Signature Date



Date of Service (For FINRA Dispute Resolution office use only)

ARBITRATION PANEL

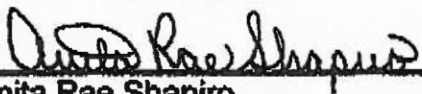
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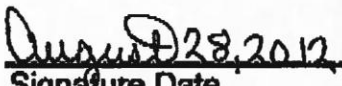
Concurring Arbitrators' Signatures

Daniel David Kopman
Non-Public Arbitrator, Presiding Chairperson

Signature Date



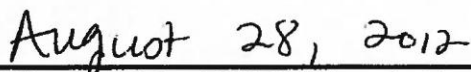
Anita Rae Shapiro
Public Arbitrator



Signature Date

Montgomery G. Griffin
Non-Public Arbitrator

Signature Date



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ARBITRATION PANEL

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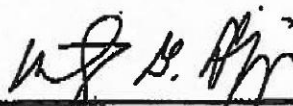
Concurring Arbitrators' Signatures

Daniel David Kopman
Non-Public Arbitrator, Presiding Chairperson

Signature Date

Anita Rae Shapiro
Public Arbitrator

Signature Date



Montgomery G. Griffin
Non-Public Arbitrator

8-28-12
Signature Date

August 28, 2012
Date of Service (For FINRA Dispute Resolution office use only)