

Award
FINRA Office of Dispute Resolution

In the Matter of the Arbitration Between:

Claimant
Jefferies LLC

Case Number: 17-00688

vs.

Respondent
William Stephen Hood

Hearing Site: New York, New York

Nature of the Dispute: Member vs. Associated Person

REPRESENTATION OF PARTIES

For Claimant Jefferies LLC: Andrew J. Shapren, Esq. and Anne E. Kozaul, Esq.,
Buchanan Ingersoll & Rooney PC, Philadelphia, Pennsylvania.

For Respondent William Stephen Hood: Kevin S. Reed, Esq. and Yari Pierce, Esq.,
Quinn Emanuel Urquhart & Sullivan, LLP, New York, New York.

CASE INFORMATION

Statement of Claim filed on or about: March 17, 2017.
Jefferies LLC signed the Submission Agreement: March 17, 2017.

Statement of Answer filed by Respondent on or about: May 10, 2017.
William Stephen Hood signed the Submission Agreement: May 10, 2017.

CASE SUMMARY

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

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

RELIEF REQUESTED

In the Statement of Claim, Claimant requested \$2,750,000.00 in liquidated damages; unspecified compensatory damages; attorneys' fees; costs; and any further relief the Panel may deem just and proper.

In the Statement of Answer, Respondent requested Claimant's claim be denied in its entirety.

OTHER ISSUES CONSIDERED AND DECIDED

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

On or about September 4, 2018, Claimant filed a Motion to Bifurcate the hearing. On or about September 21, 2018, Respondent filed an Opposition to Claimant's Motion to Bifurcate the hearing. On or about September 26, 2018, Claimant filed a Reply in further support of their Motion to Bifurcate the hearing. After due deliberation, in an Order dated October 16, 2018, the Panel denied Claimant's Motion to Bifurcate the hearing.

The parties present at the hearing 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. Respondent is liable for and shall pay to Claimant the sum of \$925,000.00 in compensatory damages.
2. Respondent is liable for and shall pay to Claimant the sum of \$263,586.00 in attorneys' fees pursuant to contract.
3. Respondent is liable for and shall pay to Claimant the sum of \$59,819.00 in costs.
4. Any and all claims for relief not specifically addressed herein are denied.

FEES

Pursuant to the Code of Arbitration Procedure, the following fees are assessed:

Filing Fees

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

Initial Claim Filing Fee	= \$ 3,400.00
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**The filing fee is made up of a non-refundable and a refundable portion.*

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

Member Surcharge	= \$ 3,025.00
Member Process Fee	= \$ 6,175.00

Postponement Fees

Postponements granted during these proceedings for which fees were assessed or waived:

June 12-15, 2018, postponement by Parties	= \$ 1,400.00
December 12-14, 2018 postponement by Parties	= \$ 1,400.00
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Total Postponement Fees	= \$ 2,800.00

The Panel has assessed \$1,400.00 of the postponement fees to Claimant.

The Panel has assessed \$1,400.00 of the postponement fees to Respondent.

Discovery-Related Motion Fee

Fees apply for each decision rendered on a discovery-related motion.

One (1) decision on discovery-related motions on the papers with one (1) arbitrator @ \$200.00/decision	= \$ 200.00
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Total Discovery-Related Motion Fees	= \$ 200.00

The Panel has assessed the \$200.00 discovery-related motion fees to Claimant.

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

Nine (9) pre-hearing sessions with the Panel @ \$1,400.00/session	= \$ 12,600.00
Pre-hearing conferences:	
August 30, 2017	1 session
September 27, 2017	1 session
October 15, 2018	1 session
November 14, 2018	1 session
November 16, 2018	1 session
December 3, 2018	1 session
March 27, 2019	1 session
April 3, 2019	1 session
April 12, 2019	1 session

Seven (7) hearing sessions @ \$1,400.00/session			= \$ 9,800.00
Hearing Dates:	November 4, 2019	2 sessions	
	November 5, 2019	2 sessions	
	November 6, 2019	2 sessions	
	November 7, 2019	1 session	
<hr/> Total Hearing Session Fees			= \$ 22,400.00

The Panel has assessed \$7,700.00 of the hearing session fees to Claimant.

The Panel has assessed \$14,700.00 of the hearing session fees to Respondent.

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

ARBITRATION PANEL

Anna M. Fanelli	-	Public Arbitrator, Presiding Chairperson
Robert E. Anderson	-	Public Arbitrator
Kenneth Diamond	-	Non-Public Arbitrator

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.

Concurring Arbitrators' Signatures

Anna M. Fanelli

Anna M. Fanelli
Public Arbitrator, Presiding Chairperson

01/03/2020

Signature Date

Robert E. Anderson

Robert E. Anderson
Public Arbitrator

12/27/2019

Signature Date

Kenneth Diamond

Kenneth Diamond
Non-Public Arbitrator

12/30/2019

Signature Date

January 06, 2020

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