

**Award**  
**FINRA Dispute Resolution Services**

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In the Matter of the Arbitration Between:

Claimant  
Scott Benjamin Eichel

Case Number: 19-03171

vs.

Respondent  
NatWest Markets Securities Inc.

Hearing Site: New York, New York

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Awards are rendered by independent arbitrators who are chosen by the parties to issue final, binding decisions. FINRA makes available an arbitration forum—pursuant to rules approved by the SEC—but has no part in deciding the award.

Nature of the Dispute: Associated Person vs. Member

The evidentiary hearing was conducted by videoconference.

**REPRESENTATION OF PARTIES**

For Claimant Scott Benjamin Eichel: Todd A. Gutfleisch, Esq. and David Wechsler, Esq., Harry, St. Laurent & Wechsler, LLP, New York, New York.

For Respondent NatWest Markets Securities Inc.: Ira G. Rosenstein, Esq. and Rudolph J. Burshnic, II, Esq., Morgan, Lewis & Bockius LLP, New York, New York.

**CASE INFORMATION**

Statement of Claim filed on or about: October 22, 2019.

First Amended Statement of Claim filed on or about: June 5, 2020.

Second Amended Statement of Claim filed on or about: January 7, 2021.

Scott Benjamin Eichel signed the Submission Agreement: October 22, 2019.

Statement of Answer filed by Respondent on or about: January 13, 2020.

Statement of Answer to Second Amended Statement of Claim filed on or about: February 1, 2021.

NatWest Markets Securities Inc. signed the Submission Agreement: February 23, 2021.

### **CASE SUMMARY**

In the Statement of Claim, First Amended Statement of Claim, and Second Amended Statement of Claim, Claimant asserted the following causes of action: breach of contract-2013 Guarantee; breach of contract-failure to pay dividends; breach of contract-duty of good faith and fair dealing; unjust enrichment; quantum meruit; promissory estoppel; and violation of Connecticut General Statutes 31-71.

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

### **RELIEF REQUESTED**

In the Statement of Claim, Claimant requested \$516,316.00 for the 2013 Guarantee; \$540,952.00 for the unpaid dividends; \$3,747,928.00 for the “malus” reduction imposed in 2019; statutory interest of 10% from the earliest date of the breach; penalties equal to 100% of the withheld wages; attorneys’ fees and costs; and such other and further relief as available in equity and/or under the law, and as the Panel may deem just, fair and/or reasonable.

In the First Amended Statement of Claim, Claimant requested \$1,970,273.00 for the 2013 Guarantee; \$540,952.00 for the unpaid dividends; \$3,800,075.00 for the “malus” reduction imposed in 2019; statutory interest of 10% from the earliest date of the breach; penalties equal to 100% of the withheld wages; attorneys’ fees and costs; and such other and further relief as available in equity and/or under the law, and as the Panel may deem just, fair and/or reasonable.

In the Second Amended Statement of Claim, Claimant requested \$1,970,273.00 for the 2013 Guarantee; \$540,952.00 for the unpaid dividends; \$3,800,075.00 for the “malus” reduction imposed in 2019; statutory interest of 10% from the earliest date of the breach; penalties equal to 100% of the withheld wages; attorneys’ fees and costs; severance in the amount of \$57,693.00; and such other and further relief as available in equity and/or under the law, and as the Panel may deem just, fair and/or reasonable.

In the Statement of Answer and the Statement of Answer to the Second Amended Statement of Claim, Respondent requested that Claimant’s claims be denied in their entirety and that the Panel award any and all relief that this Panel deems appropriate.

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

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

By correspondence dated July 9, 2020, Claimant filed a Motion for Contempt and Sanctions for Respondent's failure to comply with the Panel's May 18, 2020 Order. By correspondence dated July 20, 2020, Respondent objected to the Claimant's Motion. By correspondence dated July 22, 2020, Claimant filed a reply and by correspondence dated July 30, 2020, Respondent filed a sur-reply. By Order dated August 7, 2020, the Panel denied Claimant's Motion for Contempt and Sanctions.

The Award in this matter may be executed in counterpart copies.

### **AWARD**

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

1. Claimant's claims are denied in their entirety.
2. Any and all claims for relief not specifically addressed herein, including any requests for attorneys' fees, are denied.

### **FEES**

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

#### **Filing Fees**

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

Initial Claim Filing Fee = \$ 2,250.00

*\*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, Respondent NatWest Markets Securities Inc. is assessed the following:

Member Surcharge = \$ 3,600.00

Member Process Fee = \$ 6,800.00

#### **Postponement Fees**

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

October 27-30 and November 2, 2020, postponement requested by Claimant = \$ 1,500.00

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Total Postponement Fees = \$ 1,500.00

The Panel has assessed the total postponement fees to Claimant.

**Discovery-Related Motion Fees**

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

Two (2) decisions on discovery-related motions on the papers with one (1) Arbitrator @ \$200.00/decision = \$ 400.00

Claimant submitted two (2) discovery-related motions

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Total Discovery-Related Motion Fees = \$ 400.00

The Panel has assessed \$100.00 of the discovery-related motion fees to Claimant.  
The Panel has assessed \$300.00 of the discovery-related motion fees to Respondent.

**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, which lasts four (4) hours or less. Fees associated with these proceedings are:

Two (2) pre-hearing sessions with a single Arbitrator @ \$450.00/session = \$ 900.00  
Pre-Hearing Conferences: June 3, 2020 1 session  
June 10, 2020 1 session

Three (3) pre-hearing sessions with the Panel @ \$1,500.00/session = \$ 4,500.00  
Pre-Hearing Conferences: February 10, 2020 1 session  
August 6, 2020 1 session  
September 2, 2020 1 session

Twelve (12) hearing sessions @ \$1,500.00/session = \$ 18,000.00  
Hearings: January 19, 2021 2 sessions  
January 20, 2021 2 sessions  
January 21, 2021 2 sessions  
January 22, 2021 2 sessions  
February 11, 2021 2 sessions  
February 12, 2021 2 sessions

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Total Hearing Session Fees = \$ 23,400.00

The Panel has assessed \$11,700.00 of the hearing session fees to Claimant.  
The Panel has assessed \$11,700.00 of the hearing session fees to Respondent.

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

**ARBITRATION PANEL**

Wallace Anthony Showman	-	Public Arbitrator, Presiding Chairperson
Michael Jaffe	-	Public Arbitrator
John K. Evans	-	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**

**Wallace Anthony Showman**

Wallace Anthony Showman  
Public Arbitrator, Presiding Chairperson

**02/24/2021**

Signature Date

**Michael Jaffe**

Michael Jaffe  
Public Arbitrator

**02/24/2021**

Signature Date

**John K. Evans**

John K. Evans  
Non-Public Arbitrator

**02/24/2021**

Signature Date

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February 24, 2021

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