

**Award
FINRA Dispute Resolution**

In the Matter of the Arbitration Between:

Claimants
Gaurav Lall
Tamir Shabat
Danny Z. Spiegel

Case Number: 10-03660

vs.

Respondent
Reuven Enterprises Securities Division, LLC

vs.

Third Party Respondent
Synergy Investment Group, LLC

Hearing Site: New York, New York

Nature of the Dispute: Associated Persons vs. Member

Third-Party Claim: Member vs. Member

REPRESENTATION OF PARTIES

Claimants Gaurav Lall ("Lall"), Tamir Shabat ("Shabat"), and Danny Z. Spiegel ("Spiegel"), hereinafter collectively referred to as "Claimants": Ian Frimet, Esq., Burkhart, Wexler, and Hirschberg, LLP, Garden City, New York.

Respondent Reuven Enterprises Securities Division ("Reuven Enterprises"): Seth Huberman, Esq., Huberman and Associates, Boca Raton, Florida.

Third-Party Respondent Synergy Investment Group, LLC ("Synergy Investment"): Ian Frimet, Esq., Burkhart, Wexler, and Hirschberg, LLP, Garden City, New York.

CASE INFORMATION

Statement of Claim filed on or about: August 13, 2010.

Lall signed the Submission Agreement: July 29, 2010.

Shabat signed the Submission Agreement: July 29, 2010.

Spiegel signed the Submission Agreement: July 29, 2010.

Statement of Answer, Motion to Dismiss, Counterclaim, and Third-Party Claim filed by Respondent on or about: November 23, 2010.
Reuven Enterprises signed the Submission Agreement: October 26, 2010.

Statement of Answer filed by Synergy on or about: January 5, 2011.
Synergy did not sign the Submission Agreement.

CASE SUMMARY

Claimants asserted the following cause of action: failure to reimburse for the 2010 state registration fees.

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

In its Counterclaim, Respondent asserted the following causes of action: raiding, unfair business competition, loss of business, defamation, loss of revenues, breach of confidentiality and intellectual property, misappropriation, and breach of contract.

Unless specifically admitted in their Answer, Claimants denied the allegations made in the Counterclaim and asserted various affirmative defenses.

In its Third-Party Claim, Respondent asserted the following causes of action: raiding, unfair business competition, loss of business, defamation, loss of revenues, breach of confidentiality and intellectual property, misappropriation, and breach of contract.

Unless specifically admitted in its Answer to the Third-Party Claim, Synergy denied the allegations made in the Third-Party Claim and asserted various affirmative defenses.

RELIEF REQUESTED

In the Statement of Claim, Claimants requested compensatory damages in the amount of \$5,687.00.

Respondent requested that Claimants' claims be denied in their entirety.

In its Counterclaim and Third-Party Claim, Respondent requested compensatory damages in the amount of \$11,085,000.00, unspecified punitive damages, reasonable legal expenses, administrative expenses, travel expenses, and regulatory fees associated with the filing of any of these claims.

At the close of the hearing, Respondent reduced its claim for compensatory damages from \$11,085,000.00 to a range of \$577,000.00 to \$5,400,000.00.

Claimants requested that Respondent's Counterclaim be denied in its entirety.

In its Answer to the Third-Party Claim, Synergy Investment requested that Respondents' claim be denied, that this arbitration be expunged from Synergy Investment's records, and that it be awarded \$150,000.00 in attorneys' fees.

At the close of the hearing, Claimants and Synergy Investment reduced their claim for attorneys' fees from \$150,000.00 to \$50,000.00.

OTHER ISSUES CONSIDERED AND DECIDED

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

Synergy Investment did not file with FINRA Dispute Resolution a properly executed Submission Agreement but is required to submit to arbitration pursuant to the Code and having answered the claim, appeared and testified at the hearing, is bound by the determination of the Panel on all issues submitted.

Yaron "Ron" Reuven was not named as a Respondent in the Statement of Claim however, his name was inserted into the case caption by the Claimants in their Answer to the Counterclaim and by Synergy Investment in their Answer to the Third-Party Claim. Yaron "Ron" Reuven did not sign a Submission Agreement or file a pleading on his own behalf. The Panel determined that Yaron "Ron" Reuven was not a party to this arbitration.

At the hearing, Claimants' counsel orally advised the Panel that Claimants were joining in Synergy Investment's application for attorneys' fees made in its Answer to the Third-Party Claim.

At the hearing, Claimants' counsel orally requested that Claimants and Synergy Investments be awarded punitive damages in an amount to be determined by the Panel.

In its Answer to the Third-Party Claim, Synergy requested expungement however, Synergy Investment did not pursue its expungement claim at the hearing. After due deliberation, the Panel determined to deny Synergy Investment's request for expungement without prejudice.

The Panel gave the parties until April 30, 2012 to file post-hearing submission briefs on attorneys' fees and punitive damages. The parties did not file post-hearing submission briefs.

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, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. Reuven Enterprises is liable for and shall pay to Lall compensatory damages in the amount of \$2,143.00.
2. Reuven Enterprises is liable for and shall pay to Spiegel compensatory damages in the amount of \$1,376.00.
3. Reuven Enterprises is liable for and shall pay to Shabat compensatory damages in the amount of \$2,168.00.
4. Reuven Enterprises is liable for and shall pay to Claimants and Synergy Investment attorneys' fees in the amount of \$50,000.00. The Panel awarded attorneys' fees pursuant to the parties' joint request for attorneys' fees made in their pleadings and orally requested at the hearings.
5. Reuven Enterprises is liable for and shall pay to Claimants and Synergy Investment punitive damages in the amount of \$100,000.00. The Panel awarded punitive damages based upon the frivolous Counterclaim and Third-Party claim brought by the Respondent. The Panel also awarded punitive damages due to Respondent's failure to maintain discovery evidence and deletion of relevant computer records.
6. Respondent's Counterclaim is denied.
7. Respondent's Third-Party claim is denied.
8. Synergy Investment's request for expungement is denied without prejudice.
9. Any and all relief not specifically addressed herein 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	=\$ 325.00
Counterclaim and Third-Party Claim Filing fees	=\$ 3,700.00

**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 firms that employed the associated persons at the time of the events giving rise to the dispute. Accordingly, as parties, Reuven Enterprises Securities Division, LLC and Synergy Investment Group, LLC, are assessed the following:

Reuven Enterprises Securities Division, LLC

Member Surcharge	= \$ 325.00
Pre-Hearing Processing Fee	= \$ 750.00
Hearing Processing Fee	= \$ 5,500.00

Synergy Investment Group, LLC

Member Surcharge	= \$ 3,750.00
Pre-Hearing Processing Fee	= \$ 750.00
Hearing Processing Fee	= \$ 5,500.00

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:

Two (2) Pre-hearing sessions with the Panel @ \$1,200.00/session	= \$2,400.00
Pre-hearing conferences: June 1, 2011	1 session
February 27, 2012	1 session
Eight (8) Hearing sessions @ \$1,200.00/session	= \$9,600.00
Hearing Dates: January 9, 2012	2 sessions
January 10, 2012	2 sessions
January 11, 2012	2 sessions
April 11, 2012	2 sessions
Total Hearing Session Fees	= \$12,000.00

1. The Panel has assessed \$3,000.00 of the hearing session fees, jointly and severally, to Claimants.
2. The Panel has assessed \$9,000.00 of the hearing session fees to Respondent.

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

ARBITRATION PANEL

Lise Gabrielle Hunter	-	Public Arbitrator, Presiding Chairperson
Susan Manca	-	Public Arbitrator
Ronald James Colombo	-	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



Lise Gabrielle Hunter
Public Arbitrator, Presiding Chairperson

May 16, 2012

Signature Date

Susan Manca
Public Arbitrator

Signature Date

Ronald James Colombo
Non-Public Arbitrator

Signature Date

May 21, 2012

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

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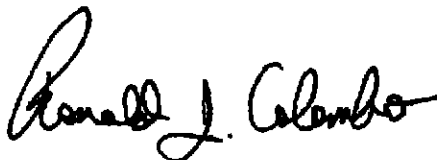
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