

Fordham Law School's Security Arbitration Clinic Wins Punitive Damages in Brooklyn Fraud Case

Arbitration panel takes rare step of ordering nearly \$45,000 in punitive damages

New York, May 2, 2008 – An arbitration panel ruled in favor of Anne Woodhouse of Leeds, England on Thursday in a securities fraud case against a Brooklyn-based broker for the national brokerage firm J.P. Turner. A team of four students in the Securities Arbitration Clinic at Fordham Law School represented Ms. Woodhouse. The ruling is unusual because of the clinic's involvement and because arbitration panels rarely issue punitive damages.

“This has been a long ordeal for Ms. Woodhouse, and we are very pleased that the panel took the extra step of awarding her punitive damages,” said Paul Radvany, a professor at Fordham Law School who supervised the students. “It is a great achievement for the students who handled the case, and it illustrates the strong representation law school clinics can provide victims like Ms. Woodhouse, who otherwise could not afford a lawyer.”

The broker, Damascus Lee, is one of two brokers serving a prison sentence after pleading guilty to fraud charges brought by the Office of the Brooklyn District Attorney in 2006. Lee was accused of luring people to invest in a shell company incorporated in Wyoming.

Ms. Woodhouse invested \$25,000 with Mr. Lee and received no money back. A Financial Industry Regulatory Authority (FINRA) arbitration panel awarded her \$22,395 in compensatory damages plus interest, as well as \$44,790 in punitive damages. Lee has already paid about \$3,000 in restitution in the criminal case.

“I’m flabbergasted,” said Ms. Woodhouse. “It wouldn’t have happened if not for the students who worked so hard on the case.”

The student team consisted of Christine Walsh, Eric Dickinson, Elizabeth Metcalf and Jesse Ma. Fordham Law School Professors Romaine Gardner and Marcella Silverman joined Professor Radvany in supervising their work. The arbitration panel heard the case on April 16, 2008. Ms. Woodhouse received the decision on Thursday.

On behalf of Ms. Woodhouse, the clinic previously settled her claims against the firm J.P. Turner.

About Fordham Law School's Securities Arbitration Clinic: The clinic allows students to represent clients in securities arbitrations at FINRA. FINRA was created in July 2007 through the consolidation of National Association of Securities Dealers (NASD) and the member regulation, enforcement and arbitration functions of the New York Stock Exchange (NYSE). Students are given the opportunity to advocate for clients at arbitrations, negotiate with opposing counsel, participate in mediations, prepare witnesses to testify, including expert witnesses, interview prospective clients, analyze

stockholder and investment documents, counsel clients, draft legal documents and develop their advocacy skills while deepening their substantive knowledge of securities laws and becoming acquainted with the functioning of the securities industry.