

Big Arbitration Victory on Behalf of Client of Becker & Poliakoff's Corporate Group

January 12, 2016

By: Robert I. Rabinowitz, Sarah Klein

Robert Rabinowitz and Sarah Klein of Becker & Poliakoff's [Corporate Law Practice Group](#) scored a big win on behalf of one of their clients, a registered broker-dealer based in New York City. A former technology vendor sued our client for fees totaling \$9.9 million alleging breach of a trading platform license agreement. The vendor claimed that our client owed license fees for the time periods both during and subsequent to the date on which the client's affiliated company purchased the trading platform from the vendor.

Because our client is a registered broker-dealer, a large monetary award could have jeopardized the firm's survival since it would not have been permitted to continue its business if it was unable to remain in compliance with its minimum net capital requirements.

An American Arbitration Association arbitrator dismissed the vendor's claim for breach of the license agreement and awarded them \$0. The arbitrator also issued a declaratory finding as requested by the client, that the purchase agreement between its affiliate and the vendor effectively terminated the license agreement.