
Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Names of the Claimants

Case Number: 01-04223

Hearing Site: Tampa, Florida

William W. and Cary Ann Allan
Michael Blocker, Inc., a Florida Corporation
W. Michael and Marguerite R. Blocker
Roger W. and Mary Louise Bradshaw
Roger Bradshaw IRA
Mary Louise Bradshaw IRA
Elizabeth D. and Roger W. Bradshaw
Elizabeth Bradshaw IRA
Ingrid Goldberg
Russell Goldberg, P.A., IRA
Russell Goldberg IRA
Russell and Amy Goldberg
Amy Goldberg IRA
Luther Hansley
Harvest International Inc., a Florida Corporation
Arnold D. and Elizabeth Jarrell
Jeff Kidd IRA
Michele A. Kidd IRA
Jeffrey S. and Michelle A. Kidd
Stephen L. and Patricia A. Lawrence
Kevin G. Maddy
Kevin G. Maddy IRA
MPP Leslie Malnasi IRA
Leslie and Kathie A. Malnasi
Marion Anesthesia Assoc., Inc., a Florida Corporation
Dorsey Mansfield and Marva Mansfield
Glen H. Miller
Glen H. Miller IRA
Eileen S. Miller IRA
Glen H. and Eileen Miller
Wayne T. and Norma J. Miller
John W. Mong IRA
Marilyn R. Mong IRA
John W. and Marilyn Mong
Barry Ranew IRA
Barry Ranew
Tracie D. Ranew, as guardian of Alexis G. Linderman
Richard Thomas and Marilyn Y. Reid

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Richard Thomas Reid IRA

Marilyn Y. Reid IRA

John E. Renfrow IRA

Kimberly A. Renfrow IRA

John E. and Kimberly A. Renfrow

Phyllis Robertson

Phyllis Robertson IRA

Phyllis Robertson, as trustee of the Phyllis Robertson Trust

John A. Samuel IRA

John A. and Barbara M. Samuel

Richard Robert and Elizabeth Schmitt

Charles E. Smith

Charles and Midori Storms

Thomas R.B. and Andrea White

Benjamin F. Wilson IRA

Benjamin F. Wilson

Donald J. Zaharias

Names of the Respondents

First Union Securities Financial Network, Inc., f/k/a J.W. Genesis Securities, Inc., f/k/a J.W. Genesis Financial Group, Inc., f/k/a GSG Securities, Inc., et al, f/k/a Chatfield Dean, et al.

Securities America, Inc.

Securities America Advisors

Scott J. McKay Wolas a/k/a Scott J. McKay Wolas a/k/a Allen Lee Hengst

REPRESENTATION OF PARTIES

For William W. and Cary Ann Allan, Michael Blocker, Inc., a Florida Corporation, Marguerite R. and Michael Blocker, Roger and Mary Louise Bradshaw, Roger W. Bradshaw IRA, Mary Louise Bradshaw IRA, Elizabeth D. and Roger Bradshaw, Elizabeth Bradshaw IRA, Ingrid Goldberg, Russell Goldberg, P.A., IRA, Russell Goldberg IRA, Russell and Amy Goldberg, Amy Goldberg IRA, Luther Hansley, Harvest International Inc., a Florida Corporation, Arnold D. and Elizabeth Jarrell, Jeffrey S. and Michelle Kidd, Jeff Kidd IRA, Michelle A. Kidd IRA, Stephen L. and Patricia Lawrence, Kevin G. Maddy, Kevin Maddy IRA, MPP Leslie Malnasi IRA, Leslie Malnasi and Kathie A. Malnasi, Marion Anesthesia Assoc., Inc., a Florida Corporation, Dorsey and Marva Mansfield, Glen H. Miller, Glen H. Miller IRA, Eileen S. Miller IRA, Eileen S. and Glen Miller, Wayne T. and Norma J. Miller, John W. Mong and Marilyn Mong, John W. Mong IRA, Marilyn R. Mong, IRA, Barry Ranew, Barry Ranew IRA, Tracie D. Ranew, as guardian of Alexis G. Linderman, Richard Thomas and Marilyn Reid, Richard T. Reid IRA, Marilyn Y. Reid IRA, John E. and Kimberly Renfrow, John E. Renfrow IRA, Kimberly A. Renfrow, IRA, Phyllis Robertson, Phyllis Robertson IRA, Phyllis Robertson, as trustee of the Phyllis Robertson Trust, John A. Samuel and Barbara M. Samuel, John A. Samuel IRA, Richard Robert and Elizabeth A. Schmitt, Charles E. Smith, Charles and Midori Storms, Thomas R.B. and Andrea L. White, Benjamin F. Wilson, Benjamin Wilson IRA and Donald J. Zaharias, hereinafter collectively referred to as "Claimants": Stephen D. Spivey, Esq., Law Offices of Stephen D. Spivey, P.A., Ocala, Florida and Robert E. Landt, Esq., Landt & Landt, Ocala, Florida.

For Respondent First Union Securities Financial Network, Inc., f/k/a J.W. Genesis Securities, Inc., f/k/a J.W. Genesis Financial Group, Inc., f/k/a GSG Securities, Inc., et al., f/k/a Chatfield Dean, et al., ("First Union"): Stephen G. Topetztes, Esq. and Michael Napoli, Esq., Kirkpartick & Lockhart, LLP, Washington, DC and Dallas, Texas.

For Respondents Securities America, Inc. ("SAP") and Securities America Advisors ("SAA"): Robert R. Ambler, Jr., Esq., Womble Carlyle Asbill & Brennan, LLP., Atlanta, Georgia, Rebecca L. Burnaugh, Esq., Sutherland, Asbill & Brennan, LLP, Atlanta, Georgia, and Kevin Miller, Esq. and Scott C. Hoyt, Esq., Assistant General Counsel, Securities America, Inc., Omaha, Nebraska.

Respondent Scott J. McCay Wolas, a/k/a Scott J. McKay Wolas, a/k/a Allen Lee Hengst ("Wolas/Hengst") did not appear.

CASE INFORMATION

Statement of Claim filed on or about: August 2, 2001.

Claimants William W. Allan and Cary Ann Allan signed the Uniform Submission Agreement: June 13, 2001.

Claimants Michael Blocker, Inc., a Florida corporation and Marguerite R. Blocker signed the Uniform Submission Agreement: June 15, 2001.

Claimants Roger W. Bradshaw and Mary Louise Bradshaw signed the Uniform Submission Agreement: July 16, 2001.

Claimants Roger Bradshaw, on behalf of Roger Bradshaw, IRA and Mary L. Bradshaw on behalf of Mary L. Bradshaw, IRA signed the Uniform Submission Agreement: September 26, 2001.

Claimant Elizabeth Bradshaw signed the Uniform Submission Agreement: July 19, 2001.

Claimant Elizabeth Bradshaw, on behalf of Elizabeth Bradshaw, IRA signed the Uniform Submission Agreement: September 28, 2001.

Claimant Ingrid Goldberg signed the Uniform Submission Agreement: July 23, 2001.

Claimants Russell Goldberg on behalf of Russell Goldberg, P.A., IRA and the Russell Goldberg IRA and Amy Goldberg, on behalf of Amy Goldberg, IRA signed the Uniform Submission Agreement: September 17, 2001.

Claimants Russell Goldberg and Amy Goldberg signed the Uniform Submission Agreement: June 30, 2001.

Claimant Harvest International, Inc. signed the Uniform Submission Agreement: July 2, 2001.

Claimant Luther Hansley signed the Uniform Submission Agreement: July 3, 2001.

Claimants Arnold D. Jarrell and Elizabeth A. Jarrell signed the Uniform Submission Agreement: July 9, 2001.

Claimants Jeff S. Kidd and Michele A. Kidd signed the Uniform Submission Agreement: July 31, 2001.

Claimants Jeffrey Kidd on behalf of Jeff Kidd, IRA and Michele Kidd on behalf of Michele Kidd, IRA signed the Uniform Submission Agreement: August 27, 2001.

Claimants Stephen L. Lawrence and Patricia A. Lawrence signed the Uniform Submission Agreement: June 12, 2001.

Claimant Kevin G. Maddy signed the Uniform Submission Agreement: August 3, 2001.

Claimant Kevin Maddy on behalf of Kevin Maddy, IRA signed the Uniform Submission Agreement: September 24, 2001.

Claimant Marion Anesthesia Group, Inc., a Florida Corporation signed the Uniform Submission Agreement: August 7, 2001.

Claimant Leslie Malnasi on behalf of Leslie Malnasi, IRA signed the Uniform Submission Agreement:

September 18, 2001.

Claimant MPP Leslie Malnasi signed the Uniform Submission Agreement: August 7, 2001.

Claimant Kathie A. Malnasi signed the Uniform Submission Agreement: August 7, 2001.

Claimants Dorsey Mansfield and Marva Mansfield signed the Uniform Submission Agreement: September 5, 2001.

Claimants Glen H. Miller on behalf of Glen H. Miller, IRA and Eileen S. Miller on behalf of Eileen S. Miller, IRA signed the Uniform Submission Agreement: August 28, 2001.

Claimants Glen H. Miller and Eileen S. Miller signed the Uniform Submission Agreement: June 14, 2001.

Claimants Wayne T. Miller and Norma J. Miller signed the Uniform Submission Agreement: June 13, 2001.

Claimants John W. Mong on behalf of John W. Mong, IRA and Marilyn R. Mong on behalf of Marilyn R. Mong, IRA signed the Uniform Submission Agreement: September 12, 2001.

Claimants John W. Mong and Marilyn R. Mong signed the Uniform Submission Agreement: June 12, 2001.

Claimant Barry Ranew on behalf of Barry Ranew, IRA signed the Uniform Submission Agreement: August 26, 2001.

Claimant Barry R. Ranew signed the Uniform Submission Agreement: July 19, 2001.

Claimant Tracie Ranew, as guardian of Alexis Grace Linderman, signed the Uniform Submission Agreement: June 19, 2001.

Claimants Richard T. Reid, on behalf of Richard T. Reid, IRA and Marilyn Reid on behalf of Marilyn Reid, IRA signed the Uniform Submission Agreement: September 24, 2001.

Claimants Richard Thomas Reid and Marilyn Reid signed the Uniform Submission Agreement: June 15, 2001.

Claimants John E. Renfrow and Kimberly A. Renfrow signed the Uniform Submission Agreement: July 10, 2001.

Claimants John E. Renfrow on behalf of John E. Renfrow, IRA and Kimberly A. Renfrow on behalf of Kimberly Renfrow, IRA signed the Uniform Submission Agreement: August 27, 2001.

Claimant Phyllis Robertson signed the Uniform Submission Agreement: July 9, 2001.

Claimant Phyllis Robertson on behalf of Phyllis Robertson, IRA signed the Uniform Submission Agreement: August 27, 2001.

Claimant Phyllis H. Robertson, as Trustee of the Phyllis H. Robertson Trust, signed the Uniform Submission Agreement: October 17, 2001.

Claimant John A. Samuel on behalf of John A. Samuel, IRA signed the Uniform Submission Agreement: August 28, 2001.

Claimants John A. Samuel and Barbara M. Samuel signed the Uniform Submission Agreement: June 14, 2001.

Claimants Richard Robert Schmitt and Elizabeth A. Schmitt signed the Uniform Submission Agreement: September 19, 2001.

Claimant Charles E. Smith signed the Uniform Submission Agreement: July 5, 2001.

Claimants Charles Storms and Midori Storms signed the Uniform Submission Agreement: June 15, 2001.

Claimants Thomas R.B. White and Andrea L. White signed the Uniform Submission Agreement: July 26, 2001.

Claimant Benjamin Wilson on behalf of Benjamin Wilson, IRA signed the Uniform Submission Agreement: September 17, 2001.

Claimant Benjamin F. Wilson signed the Uniform Submission Agreement: July 30, 2001.

Claimant Donald J. Zaharias signed the Uniform Submission Agreement: June 13, 2001.

Statement of Answer filed by Respondent First Union on or about: January 23, 2002.

Respondent First Union signed the Uniform Submission Agreement: January 18, 2002.

Statement of Answer filed by Respondents SAI and SAA on or about: December 31, 2001.

Respondent SAI signed the Uniform Submission Agreement: December 20, 2001.

Respondent SAA signed the Uniform Submission Agreement: December 20, 2001.
Respondent Wolas/Hengst did not file an Answer to the Statement of Claim.
Respondent Wolas/Hengst did not file an executed Uniform Submission Agreement.
Motion to Sever filed by Respondents SAI and SAA on or about: February 5, 2002.
Response to Motion to Sever filed by Claimants on or about: February 7, 2002.
Motion for Summary Judgment filed by Claimants on or about: September 27, 2002.
Response to Motion for Summary Judgment filed by Respondents SAI and SAA on or about: October 22, 2002.
Motion to Dismiss filed by Respondents SAI and SAA on or about: September 27, 2002.

CASE SUMMARY

Claimants asserted the following causes of action: 1) failure to supervise; 2) negligence; 3) violation of Florida Statute 517.12; and, 4) fraud. The causes of action relate to an alleged "Ponzi scheme" and an aggressive investment strategy in gold certificates and various stocks including, but not limited to, Dell Computer Corp., Broadvision, Inc., Cisco Systems, Inc., Veritas Software Corp., Microsoft Corp., JDS Uniphase Corp., Tellabs, Inc., Oracle Corporation, Best Buy, Inc., Applied Materials, Inc. and Worldcom, Inc., implemented by Respondent Wolas/Hengst in Claimants' accounts.

Unless specifically admitted in their Answers, Respondents denied the allegations made in the Statement of Claim and asserted the various affirmative defenses.

RELIEF REQUESTED

Claimants requested compensatory damages of \$5,883,000.00, including selective rescission of transactions and refunds of all money lost, plus interest at the legal rate, costs, reasonable attorney's fees and punitive damages.

Respondent First Union requested that the Statement of Claim be dismissed in its entirety with prejudice, costs and attorney's fees.

Respondents SAI and SAA requested that the Statement of Claim be dismissed in its entirety.

OTHER ISSUES CONSIDERED AND DECIDED

Respondent Wolas/Hengst did not file with NASD Dispute Resolution a properly executed submission to arbitration but is required to submit to arbitration pursuant to the NASD Code of Arbitration Procedure (the "Code") and is bound by the determination of the Panel on all issues submitted.

On June 7, 2002, the Panel issued an Order that partially granted Respondents SAI and SAA's Motion to Sever insofar as the case would be bifurcated between the "Ponzi scheme" claimants and the "non-Ponzi scheme" claimants.

On November 4, 2002, the Panel issued an Order that denied Claimants' Motion for Summary Judgment and Respondents SAI and SAA's Motion to Dismiss.

At both the beginning and the conclusion of the final hearings for this matter, Claimants moved for a directed verdict on statutory liability. The Panel denied these motions. In addition, at the final hearings, Respondents made a Motion to Dismiss market loss claims. The Panel denied Respondents' motion.

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:

This claim was brought by more than 45 persons or legal entities against Respondents First Union, SAI, SAA and Wolas/Hengst for losses in their securities accounts and for losses arising out of Ponzi schemes. The perpetrator of the schemes, Wolas/Hengst did not appear at the hearings.

Respondents First Union, SAI and SAA are found liable for negligence with respect to implementation of hiring and supervision practices and all are in violation of Florida Statutes 517.

Compensatory Damages

Respondent First Union is found liable to the Claimants, hereafter listed, and shall pay total compensatory damages of \$87,233. With respect to individual Claimants, this total shall be paid as follows:

To Ingrid Goldberg:	\$ 3,259.00
To Luther Hansley:	\$ 2,338.00
To Stephen L. and Patricia A. Lawrence	\$ 37,338.00
To Phyllis Robertson:	\$ 44,298.00

Respondents SAI and SAA are found jointly and severally liable to the Claimants, hereafter listed, and shall pay total compensatory damages of \$841,661.00. With respect to the individual Claimants, this total shall be paid as follows:

To Michael Blocker, Inc.:	\$ 20,073.00
To Elizabeth and Roger Bradshaw:	\$ 16,124.00
To Roger Bradshaw IRA:	\$ 49,236.00
To Russell and Amy Goldberg:	\$ 4,176.00
To Luther Hansley:	\$ 4,867.00
To Harvest International:	\$ 30,451.00
To Arnold and Elizabeth Jarrell:	\$ 59,119.00
To Jeff and Michele Kidd:	\$ 15,007.00
To Stephen and Patricia Lawrence:	\$ 16,159.00
To Kevin Maddy:	\$ 20,114.00
To Leslie Malnasi IRA	\$ 18,232.00
To Leslie Malnasi, Kathie Malnasi and Marion Anesthesia Assoc.:	\$ 96,865.00
To Wayne and Norma Miller:	\$ 7,846.00
To Eileen Miller IRA:	\$ 354.00

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To Glenn Miller IRA	\$ 11,462.00
To Glenn Miller:	\$ 41,704.00
To Glenn Miller and Eileen Miller/ Dorsey and Marva Mansfield:	\$ 7,427.00
To John Mong IRA:	\$ 2,609.00
To Marilyn Mong IRA:	\$ 6,568.00
To John and Marilyn Mong:	\$ 19,152.00
To Barry Ranew IRA:	\$ 3,278.00
To Barry Ranew:	\$ 3,387.00
To Tracie Ranew, as guardian of Alexis Linderman	\$ 13,167.00
To Marilyn Reid IRA:	\$ 19,524.00
To Richard and Marilyn Reid:	\$ 39,299.00
To John and Kimberly Renfrow:	\$ 17,563.00
To Phyllis Robertson Trustee:	\$ 322.00
To John and Barbara Samuel:	\$ 24,505.00
To Richard and Elizabeth Schmitt:	\$176,573.00
To Charles E. Smith:	\$ 33,180.00
To Thomas and Andrea White:	\$ 13,171.00
To Benjamin Wilson IRA:	\$ 50,147.00

The following Claimants were found to have no losses through any brokerage accounts and therefore the Respondents were found not liable as to the following Claimants:

William and Cary Ann Allan
Michael and Marguerite Blocker
Mary Louise Bradshaw IRA
Roger and Mary Louise Bradshaw
Elizabeth Bradshaw IRA
Russell Goldberg, P.A. IRA
Russell Goldberg IRA
Amy Goldberg IRA
Jeffrey Kidd IRA
Michelle Kidd IRA
Kevin Maddy IRA
Richard Thomas Reid IRA
John Renfrow IRA
Kimberly Renfrow IRA
Phyllis Robertson IRA
John Samuel IRA
Charles and Midori Storms
Benjamin Wilson
Donald Zaharias

Pre-Judgment and Post Judgment Interest

Respondent First Union is liable and shall pay pre and post judgment interest to the four Claimants listed above

awarded compensatory damages at the legal rate provided by the state of Florida per annum commencing May 18, 2000 until the date of payment of the Award.

Respondents SAI and SAA are jointly and severally liable and shall pay pre and post judgment interest to the 32 Claimants listed above awarded compensatory damages at the legal rate provided by the state of Florida per annum commencing December 31, 2000 until the date of payment of the Award.

Ponzi Schemes

With respect to the Ponzi Scheme claims, there were approximately thirteen Claimants who profited on the schemes by amounts totaling approximately \$2,500,000.00. There were ten Claimants who alleged losses on the schemes totaling approximately \$1,600,000.00. Those Claimants who presented losses sought rescission and interest on the amount of their loss. The Panel finds that all Claimants understood that the money provided directly to Respondent Wolas/Hengst was for his personal use in exploiting deals owned personally by Wolas/Hengst in a foreign country; that Claimants knew these were "special deals" outside of Claimants' investments with the broker-dealers; that Claimants knew it was not an investment in the ordinary course of broker-dealer business, but they were "special deals" not to be discussed with anybody other than Wolas/Hengst; that none of the Claimants made any inquiry about it to any broker-dealer or expected to find any record of it with the broker-dealers; and that all the monies within the scheme were paid to and from personal accounts of Wolas/Hengst. The Panel finds that Respondents First Union, SAI and SAA are not liable with respect to the Ponzi Schemes, and that the negligence was not the proximate cause of the Ponzi losses. The Panel was appalled that Claimants profiting in the schemes and holding hundreds of thousands of dollars in stolen funds joined with Claimants from whom funds were stolen in the schemes. The Panel finds that it does not have jurisdiction to order the return of stolen funds or otherwise provide a mechanism for restitution from profiting Claimants.

Wolas/Hengst Liability

The Panel received no evidence that Respondent Wolas/Hengst filed a Uniform Submission Agreement or that NASD Dispute Resolution was able to perfect service on this Respondent. The Panel received evidence that Respondent Wolas/Hengst was, and remains, a Federal criminal fugitive. The Panel also received evidence that NASD and the State of Florida issued securities licenses to a person claiming to be Allen Hengst, but was actually Scott Wolas. To the extent that the Panel has jurisdiction of Respondent Wolas/Hengst, the Panel finds this Respondent liable for all damages and interest assessed against Respondents First Union, SAI and SAA.

Punitive Damages

The Panel finds that Respondent Wolas/Hengst conducted criminal Ponzi schemes in violation of Federal Securities Laws and Florida Securities Laws. The Panel is of the opinion, based upon the extreme intentional, fraudulent misconduct of this Respondent, that Respondent Wolas/Hengst is liable and awards punitive damages, as provided for in Section 768.72, Florida Statutes, to each Claimant recovering compensatory damages, to be assessed against Respondent Wolas/Hengst, in the amount three times the damages awarded each Claimant.

Attorney's Fees

Respondents First Union, SAI and SAA are liable, pursuant to Florida Statutes 517.211, and shall pay to Claimants reasonable attorney's fees in an amount to be determined by a court of competent jurisdiction.

Costs

Respondent First Union is liable and shall pay costs in the amount of \$54,968.42 made payable to Claimants' counsel, Stephen D. Spivey, P.A.

Respondents SAI and SAA are jointly and severally liable and shall pay costs in the amount of \$54,968.42 made payable to Claimants' counsel, Stephen D. Spivey, P.A..

Any and all claims for relief not specifically addressed herein, are denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD will retain or collect the non-refundable filing fees for each claim:

Initial claim filing fee = \$600.00

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, First Union is a party to this dispute and a member of NASD at the time the following fees were assessed:

Member surcharge = \$3,000.00
Pre-hearing process fee = \$ 600.00
Hearing process fee = \$5,000.00

SAI is a party to this dispute and a member of NASD when the following fees were assessed:

Member surcharge = \$3,000.00
Pre-hearing process fee = \$ 600.00
Hearing process fee = \$5,000.00

Adjournment Fees

No requests for adjournments were filed in this matter.

Injunctive Relief Fees

No injunctive relief fees were incurred during this proceeding.

Forum Fees and Assessments

The Panel has assessed forum 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 Panel @ \$1,200.00 = \$ 2,400.00
Pre-hearing conferences: June 3, 2002 1 session
October 22, 2002 1 session

Fifty-eight (58) Hearing sessions @ \$1,200.00 = \$69,600.00

Hearing Dates: December 3, 2002 2 sessions
December 4, 2002 2 sessions
December 5, 2002 2 sessions
December 6, 2002 2 sessions
December 16, 2002 2 sessions
December 17, 2002 2 sessions
December 18, 2002 2 sessions
December 19, 2002 2 sessions
January 14, 2003 2 sessions
January 15, 2003 2 sessions
January 16, 2003 2 sessions
January 17, 2003 2 sessions
January 28, 2003 2 sessions
January 29, 2003 2 sessions
January 30, 2003 2 sessions
January 31, 2003 2 sessions
March 11, 2003 2 sessions
March 12, 2003 2 sessions
March 13, 2003 2 sessions
March 14, 2003 2 sessions
April 1, 2003 2 sessions
April 2, 2003 2 sessions
April 3, 2003 2 sessions
April 4, 2003 2 sessions
May 19, 2003 2 sessions
May 20, 2003 1 session
May 21, 2003 2 sessions
May 22, 2003 1 session
June 2, 2003 2 sessions
August 13, 2003 2 sessions

Total Forum Fees = \$72,000.00

The Panel has assessed \$36,000.00 of the forum fees to Respondent First Union.

The Panel has assessed \$36,000.00 of the forum fees jointly and severally Respondents SAI and SAA.

Administrative Costs

Administrative costs are expenses incurred due to a request by a party for special services beyond the normal administrative services. These include, but not limited to, additional copies of arbitrator awards, copies of audio transcripts, retrieval of documents from archives, interpreters, and security.

No administrative costs were incurred during this proceeding.

Fee Summary

Claimants are jointly and severally liable for:

<u>Initial Filing Fee</u>	= \$ 600.00
<u>Total Fees</u>	= \$ 600.00
<u>Less payments</u>	= \$ 600.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondent First Union is solely liable for:

<u>Member Fees</u>	= \$ 8,600.00
<u>Forum Fees</u>	= \$ 36,000.00
<u>Total Fees</u>	= \$ 44,600.00
<u>Less payments</u>	= \$ 8,600.00
Balance Due NASD Dispute Resolution	= \$ 36,000.00

Respondent SAI is solely liable for:

<u>Member Fees</u>	= \$ 8,600.00
<u>Total Fees</u>	= \$ 8,600.00
<u>Less payments</u>	= \$ 8,600.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondents SAI and SAA are jointly and severally liable for:

<u>Forum Fees</u>	= \$ 36,000.00
<u>Total Fees</u>	= \$ 36,000.00
<u>Less payments</u>	= \$ 4,250.00
Balance due NASD Dispute Resolution	= \$ 31,750.00

All balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

<i>R. Donald Kelly, LLB</i>	-	<i>Public Arbitrator, Presiding Chairperson</i>
<i>Floyd A. Hillstrom, Esq.</i>	-	<i>Public Arbitrator</i>
<i>Alison Hardage</i>	-	<i>Non-Public Arbitrator</i>

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Concurring Arbitrators' Signatures



R. Donald Kelly, LLB
Public Arbitrator, Presiding Chairperson

9-23-03

Signature Date

Floyd A. Hillstrom, Esq.
Public Arbitrator

Signature Date

Alison Hardage
Non-Public Arbitrator

Signature Date

Date of Service (For NASD use only)

FROM : HILLSTROM HQ
Sep-23-2003 3:52PM 6833

FAX NO. : 9414123083

Sep. 23 2003 09:11AM P1

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Concurring Arbitrators' Signatures

R. Donald Kelly, LLB
Public Arbitrator, Presiding Chairperson

Signature Date


Floyd A. Hillstrom, Esq.
Public Arbitrator

9/22/03
Signature Date

Alison Hardage
Non-Public Arbitrator

Signature Date

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Public Arbitrator, Presiding Chairperson

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Non-Public Arbitrator

9-23-03

Signature Date

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