

Stipulated Award
NASD Dispute Resolution, Inc.

In the Matter of the Arbitration Between:

Louis Merlo,

Claimant,

vs.

Donald J. Whitton, Seger Financial, Inc. (a/k/a Martha R. Seger Associates, Inc.), Martha R. Seger Financial Group, Julie A. Baetz, Damian S. Kassab, Susan R. Sofia, Dr. Martha R. Seger, Vincent Brennan and Jon V. Rogers,

Respondent(s).

Case Number: 00-00059

Hearing Site: Detroit, Michigan

REPRESENTATION OF PARTIES

Claimant, Paul J. LaFontaine:
Weisman, Trogan, Young & Schloss, P.C.
Anthony V. Trogan, Esquire
30100 Telegraph Road, Suite 428
Bingham Farms, Michigan 48025

Respondents, Donald J. Whitton, Seger Financial, Inc. (a/k/a Martha R. Seger Associates, Inc.), Martha R. Seger & Associates Financial Group, Julie A. Baetz, Damian S. Kassab, Susan R. Sofia, Dr. Martha R. Seger, Vincent Brennan and Jon V. Rogers, hereinafter collectively referred to as "Respondents":

Ufer & Spaniola, P.C.
Gerald Van Wyke, Esquire
39577 Woodward Avenue, Suite 210
Bloomfield Hills, Michigan 48304-2839

CASE INFORMATION

Statement of Claim filed on or about: January 4, 2000

Claimant signed the Uniform Submission Agreement on or about: January 27, 2000

Statement of Answer filed by Respondents, Donald J. Whitton, Seger Financial, Inc. (a/k/a Martha R. Seger Associates, Inc.), Damian S. Kassab, Jon V. Rogers and Vincent Brennan, on or about: April 6, 2000

Respondents, Donald J. Whitton, Seger Financial, Inc. (a/k/a Martha R. Seger Associates, Inc.), Damian S. Kassab, Jon V. Rogers and Vincent Brennan, signed the Uniform Submission Agreement on or about: April 6, 2000

Respondents, Cheryl A. Kassab, Susan R. Sofia and Dr. Martha R. Seger and Martha R. Seger Financial Group filed separate Answers and Affirmative Defenses on: April 6, 2000

CASE SUMMARY

Claimant asserted the following causes of action: breach of contract, common law fraud, violation of Michigan Securities law, breach of fiduciary duty and negligent supervision.

Respondents denied the allegations and asserted the following defenses: Claimant had substantial experience with the securities based on purchases made through another broker/dealer before he purchased any from Seger Financial; Claimant requested the securities; any loss or damage was caused by non-parties to the proceeding pursuant to independent actions subsequent to the purchases.

RELIEF REQUESTED

Claimant requested:

Compensatory Damages	\$181,000
Punitive Damages	Unspecified
Interest	Unspecified
Attorneys' Fees	Unspecified
Other Costs	Unspecified
Other Monetary/Non-Monetary Relief if any	Unspecified

Respondents requested: Dismissal of all claims and award of costs.

OTHER ISSUES CONSIDERED AND DECIDED

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.

Claimant withdrew his claims with prejudice on or about December 22, 2000.

AWARD

After considering the parties' submissions and stipulations, and without making any findings of fact or conclusions of law, the undersigned arbitrators order as follows:

- 1.) The case is dismissed with prejudice as to all Respondents;
- 2.) The panel orders the expungement of all reference to the above captioned arbitration from the registration records of each of Julie A. Baetz, Damian S. Kassab, Susan R. Sofia, Dr. Martha R. Seger, Vincent Brennan and Jon V. Rogers maintained by the NASD

Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 99-09, such Respondents must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive; and

- 3.) Any relief not specifically enumerated, including punitive damages is hereby denied with prejudice.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Regulation, Inc. will retain or collect the non-refundable filing fees:

Initial claim filing fee = \$ 300.00

Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firm(s) that employed the associated person(s) at the time of the event(s) giving rise to the dispute. In this matter, the member firm is a party.

Member surcharge = \$1,500.00

Pre-hearing process fee = \$ 600.00

Hearing process fee = \$2,500.00

Forum Fees and Assessments

The Panel assesses forum fees for each hearing session conducted. A hearing session is any meeting between the parties and the arbitrator(s), including a pre-hearing conference with the arbitrator(s), that lasts four (4) hours or less. Fees associated with these proceedings are:

One Pre-hearing session with Panel = \$1,125.00

Pre-hearing conference: July 21, 2000 1 session

Total Forum Fees = \$1,125.00

The parties have agreed to pay forum fees as follows:

Claimant Louis J. Merlo = \$562.50

Respondent Seger Financial, Inc. = \$562.50

FEE SUMMARY

Claimant be and hereby is liable for:

Initial Filing Fee = \$ 300.00

Forum Fees = \$ 562.50

Total Fees = \$ 862.50

Less payments = \$1,425.00

Balance Due to Claimant = \$ 562.50

Respondent, Seger Financial, Inc., be and hereby is solely liable for:

Member Fees = \$4,600.00

Total Member Fees = \$4,600.00

Less payments = \$2,100.00

Balance of Member Fees	= \$2,500.00
Forum Fees	= \$ 562.50
Aggregate Balance Due by Seger Financial, Inc.	= \$3,062.50

All balances are due to NASD Dispute Resolution, Inc.

Concurring Arbitrators' Signatures



D. Michael Kratchman
Public Arbitrator, Presiding Chair

2/12/01
Signature Date

Harvey Frank
Public Arbitrator

Signature Date

Terry W. Maynard
Industry Arbitrator

Signature Date

Date of Service (For NASD office use only)

Balance of Member Fees	= \$2,500.00
<u>Forum Fees</u>	= \$ 562.50
Aggregate Balance Due by Seger Financial, Inc.	= \$3,062.50

All balances are due to NASD Dispute Resolution, Inc.

Concurring Arbitrators' Signatures

D. Michael Kratchman
Public Arbitrator, Presiding Chair

Signature Date


Harvey Frank
Public Arbitrator

7-8-01
Signature Date

Terry W. Maynard
Industry Arbitrator

Signature Date

Date of Service (For NASD office use only)

Balance of Member Fees	= \$2,500.00
<u>Forum Fees</u>	<u>= \$ 562.50</u>
Aggregate Balance Due by Seger Financial, Inc.	= \$3,062.50

All balances are due to NASD Dispute Resolution, Inc.

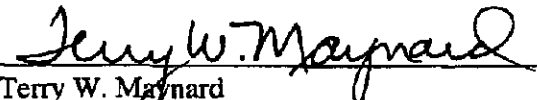
Concurring Arbitrators' Signatures

D. Michael Kratchman
Public Arbitrator, Presiding Chair

Signature Date

Harvey Frank
Public Arbitrator

Signature Date



Terry W. Maynard
Industry Arbitrator

2/9/01

Signature Date

Date of Service (For NASD office use only)