

Award
NASD Dispute Resolution, Inc.

In the Matter of the Arbitration Between

Name of Claimant

SII Investments, Inc.

Case No. 00-00186

Hearing Site: Milwaukee, Wisconsin

Name of Respondent

Jason Miles Benton

REPRESENTATION OF PARTIES

Claimant SII Investments, Inc. ("SII") was represented by Phillip C. Korovesis, Esq., of the firm of Butzel Long located in Detroit, Michigan.

Respondent Jason Miles Benton ("Benton") did not appear.

CASE INFORMATION

Statement of Claim filed on or about: January 18, 2000.

Claimant signed the Uniform Submission Agreement: January 14, 2000.

Respondent did not file a Statement of Answer or a signed Uniform Submission Agreement.

CASE SUMMARY

Claimant alleged that Benton failed to pay the balance due on a loan, evidenced by a written Promissory Note, which was paid to him as part of his employment with SII. The Note's principal balance was to be reduced on the six successive anniversaries of the date Benton joined SII, which was December 22, 1998. However, Benton was terminated September 21, 1999. After the Respondent was terminated and pursuant to the terms of the Note, SII demanded payment. Benton failed and/or refused to honor his contractual obligations under the Note.

RELIEF REQUESTED

Claimant requested compensatory damages in the sum of \$133,178.40; interest pursuant to the Note; attorneys' fees; and costs.

OTHER ISSUES CONSIDERED AND DECIDED

Respondent Benton did not file with NASD Dispute Resolution, Inc. a properly executed submission to arbitration, but is required to submit to arbitration pursuant to the Code and is bound by the determination of the Panel on all issues submitted.

Upon review of the file and the representations made on behalf of the Claimant, the undersigned arbitrators determined that Respondent Jason Miles Benton has been properly served with the Statement of Claim and received due notice of the hearing, and that arbitration of the matter would proceed without Respondent Benton present, in accordance with the NASD Code of Arbitration Procedure.

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. Respondent Jason Miles Benton is liable for and shall pay to the Claimant, SII Investments, Inc., the sum of \$148,311.15 as compensatory damages, representing the principal due on the note and interest at the rate of 9.5% accruing from December 22, 1998 to April 23, 2001;
2. In addition, Respondent Jason Miles Benton is liable for and shall pay to the Claimant, SII Investments, Inc., the sum of \$4,434.00 as attorneys' fees. In deciding to award attorneys' fees, the panel considered the pleadings and arguments of the Claimant, and the Promissory Note executed by the Respondent, and determined that authority existed for an award of attorneys' fees to the Claimant;
3. Furthermore, Respondent Jason Miles Benton is liable for and shall pay to the Claimant, SII Investments, Inc., the sum of \$2,281.42 as costs;
4. Any additional cost of arbitration, including additional attorneys' fees, shall be borne by the party incurring the cost; and
5. Any and all relief not specifically addressed herein is denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution, Inc. will retain or collect the non-refundable filing fees for each claim:

Initial claim filing fee = \$1,000.00

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 event 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

Adjournment Fees

Adjournments requested during these proceedings: None.

Forum Fees and Assessments

The Panel has the authority to assess 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 (1) Pre-hearing session with Panel x \$1,125.00 = \$1,125.00
Pre-hearing conference: January 31, 2000 1 session

One (1) Hearing session x \$1,125.00 = \$1,125.00
Hearing Date: April 23, 2001 1 session

Total Forum Fees = \$2,250.00

The panel has assessed \$1,125.00 of the forum fees to Claimant SII Investments, Inc. and \$1,125.00 of the forum fees to Respondent Jason Miles Benton.

EEE SUMMARY

Claimant SII Investments, Inc. is solely liable for:

| | |
|---|----------------------|
| Initial Filing Fee | = \$ 1,000.00 |
| Member Fees | = \$ 4,600.00 |
| <u>Forum Fees</u> | <u>= \$ 1,125.00</u> |
| Total Fees | = \$ 6,725.00 |
| <u>Less payments</u> | <u>= \$ 6,725.00</u> |
| Balance Due NASD Dispute Resolution, Inc. | = \$ 0 |

Respondent Jason Miles Benton is solely liable for:

| | |
|---|---------------|
| Forum Fees | = \$ 1,125.00 |
| <u>Less payments</u> | <u>= \$ 0</u> |
| Balance Due NASD Dispute Resolution, Inc. | = \$ 1,125.00 |

All balances are due to NASD Dispute Resolution, Inc.

ARBITRATION PANEL

Jeffrey F. Freiburger - Non-Public, Presiding Chair
Cindy Storm-Fischer - Non-Public Arbitrator
Bryan K. Nestor, MBA - Non-Public Arbitrator

Concurring Arbitrators' Signatures


Jeffrey F. Freiburger
Non-Public Arbitrator, Presiding Chair

6/21/01
Signature Date

Cindy Storm-Fischer
Non-Public Arbitrator

Signature Date

Bryan K. Nestor, MBA
Non-Public Arbitrator

Signature Date

June 26, 2001
Date of Service (For NASD-Dispute Resolution office use only)

| | |
|---|---------------|
| Forum Fees | = \$ 1,125.00 |
| Less payments | = \$ 0 |
| Balance Due NASD Dispute Resolution, Inc. | = \$ 1,125.00 |

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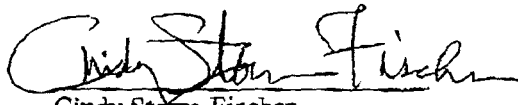
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Concurring Arbitrators' Signatures

Jeffrey F. Freiburger
Non-Public Arbitrator, Presiding Chair

Signature Date


Cindy Storm-Fischer
Non-Public Arbitrator

6-19-01

Signature Date

Bryan K. Nestor, MBA
Non-Public Arbitrator

Signature Date

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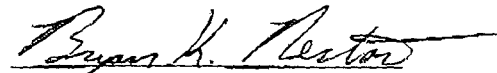
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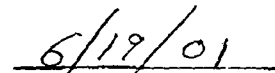
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