

Award
NASD Dispute Resolution, Inc.

In the Matter of the Arbitration Between:

Boston International Student Services, Inc., (Claimant) vs. Whitehorne & Co., Ltd. and Alan H. Davidson, (Respondents)

Case Number: 00-00498

Hearing Site: Boston, Massachusetts

REPRESENTATION OF PARTIES

Claimant, Boston International Student Services, Inc., hereinafter referred to as "Claimant": James L. Ackerman, Esq., Wadland & Ackerman, Andover, MA.

Respondents, Whitehorne & Co., Ltd. ("Whitehorne") and Alan H. Davidson ("Davidson"), hereinafter collectively referred to as "Respondents": Alan H. Davidson, General Securities Principal, Whitehorne & Co., Ltd., Newton, MA.

CASE INFORMATION

Statement of Claim filed on or about: February 2, 2000.

Claimant signed the Uniform Submission Agreement: November 28, 2000.

Statement of Answer filed by Respondents on or about: April 30, 2000.

Whitehorne signed the Uniform Submission Agreement: May 1, 2000.

Davidson did not sign a Uniform Submission Agreement.

CASE SUMMARY

Claimant asserted the following causes of action: inflated commission charges in breach of the parties' agreement to charge \$50.00 per trade; intentional misappropriation under common law; violation of NASD Conduct Rules 2110, 2430, and 2440; violation of Section 10(b)(5) of the Securities Exchange Act of 1934; violation of Section 410 of the State Uniform Securities Act; and violation of Massachusetts General Laws, Chapter 93A. Claimant's claim involved unspecified financial products.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted the following defenses: there was no agreement between Whitehorne and Claimant regarding the costs of executing trades through Whitehorn; Davidson had to monitor the trades in Claimant's account that were extremely complicated; Davidson had to be extremely cautious in regard to Claimant's account to make sure that all paperwork was in order; and the transaction costs assessed were within SEC and NASD rules and regulations.

RELIEF REQUESTED

Claimant requested compensatory damages in the amount of \$4,280.00, plus attorney's fees, punitive damages in the amount of \$8,560.00, interest at the statutory rate of 12%, and the costs and expenses of this proceeding.

Respondents did not make any relief requests in their Statement of Answer.

OTHER ISSUES CONSIDERED AND DECIDED

Davidson did not file with NASD Dispute Resolution, Inc. a properly executed submission to arbitration but is required to submit to arbitration pursuant to the NASD Code of Arbitration Procedure and, having answered the claim, appeared and testified at the hearing, is bound by the determination of the Panel on all issues submitted.

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.

AWARD

After considering the pleadings, the testimony and evidence presented at the hearing, and the post-hearing submissions, the Arbitrator has decided in full and final resolution of the issues submitted for determination as follows:

1. Respondents be and hereby are jointly and severally liable for and shall pay to Claimant the sum of \$4,280.00 as compensatory damages, plus simple interest at the rate of 12% accruing from August 18, 1999 until date of payment.
2. Respondents be and hereby are jointly and severally liable for and shall pay to Claimant the sum of \$5,000.00 as attorney's fees. The Panel awarded attorney's fees pursuant to Massachusetts General Laws, Chapter 93A, as argued in Claimant's Statement of Claim.

3. Respondents be and hereby are jointly and severally liable for and shall pay to Claimant the sum of \$125.00, to reimburse Claimant for the filing fee previously paid to NASD Dispute Resolution, Inc.
4. Claimant's request for punitive damages is hereby denied.
5. All other requests for relief are hereby 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	= \$125.00
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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. In this matter, Whitehorne & Co., Ltd. is a party.

Member surcharge	= \$400.00
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Forum Fees and Assessments

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

One (1) Pre-hearing session with a single arbitrator x \$450.00	= \$450.00
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Pre-hearing conference: December 18, 2000	1 session
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One (1) Hearing session x \$450.00	= \$450.00
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Hearing Date: February 8, 2001	1 session
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Total Forum Fees	= \$900.00
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The Arbitrator has assessed all of the forum fees jointly and severally against Respondents.

Fee Summary

1. Claimant be and hereby is solely liable for:

<u>Initial Filing Fee</u>	= \$125.00
<u>Total Fees</u>	= \$125.00
<u>Less payments</u>	= \$575.00
<u>Refund Due Claimant</u>	= \$450.00

As stated in the "Award" section above, Respondents are jointly and severally liable and shall reimburse Claimant for the \$125.00 filing fee.

2. Whitehorne be and hereby is solely liable for:

<u>Member Fees</u>	= \$400.00
<u>Total Fees</u>	= \$400.00
<u>Less payments</u>	= \$400.00
<u>Balance Due NASD Dispute Resolution, Inc.</u>	= \$ 0.00

3. Respondents be and hereby are jointly and severally liable for:

<u>Forum Fees</u>	= \$900.00
<u>Total Fees</u>	= \$900.00
<u>Less payments</u>	= \$ 0.00
<u>Balance Due NASD Dispute Resolution, Inc.</u>	= \$900.00

All balances are due and payable to NASD Dispute Resolution, Inc.

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Arbitrator's Signature


William J. McDonald, Esq.
Public Arbitrator

3/30/01
Signature Date

March 30, 2001
Date of Service (For NASD office use only)