

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Lehman Brothers, Inc. (Claimant) v. Rodney T. Cox (Respondent)

Case Number: 00-00734

Hearing Site: New York, New York

Nature of the Dispute: Member v. Customer

REPRESENTATION OF PARTIES

Claimant Lehman Brothers, Inc. hereinafter referred to as "Claimant": Manoj R. Andalkar, Esq.,
Alonso, Andalkar & Kahn, PC, New York, NY.

Respondent Rodney T. Cox hereinafter referred to as "Respondent": John Dalli, Esq., Dalli &
Marino, Hempstead, NY.

CASE INFORMATION

Statement of Claim filed on or about: February 17, 2000.

Amended Statement of Claim filed on or about: August 31, 2004.

Claimant signed the Uniform Submission Agreement: February 11, 2000.

Statement of Answer to Amended Statement of Claim and Counterclaim filed by Respondent on
or about: May 20, 2005.

Respondent signed the Uniform Submission Agreement: June 3, 2005.

CASE SUMMARY

Claimant asserted the following cause of action: breach of mortgage contract. The cause of
action relates to Borealis common stock.

Unless specifically admitted in his Answer and Counterclaim, Respondent denied the allegations
made in the Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

Claimant requested compensatory damages in the amount of \$71,194.08, plus interest thereon
from December 1997; all costs, fees and disbursements of this action, including attorneys' fees;
and such other and further relief as the Arbitration Panel may deem just and equitable. In the

Amended Statement of Claim, Claimant reduced its compensatory damages request to \$65,791.95.

Respondent requested a judgment dismissing all of the claims and awarding Respondent 112,400 shares of Borealis Exploration Limited; costs; attorneys' fees; and for such other and further relief as the Panel deems just.

OTHER ISSUES CONSIDERED AND DECIDED

At the hearing in this matter, Claimant filed a Motion to Dismiss the Counterclaim. After due deliberation, the Panel denied the Motion.

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, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. Respondent is liable for and shall pay to Claimant compensatory damages in the amount of \$122,000.00. This amount is to be paid by Respondent after Claimant delivers the Borealis shares as instructed below.
2. Within thirty days of this award, Claimant shall deliver to Respondent all shares of Borealis Exploration, Ltd. held in any of Respondent's accounts, to or for his benefit, but in no event, less than 81,700 Borealis shares including any and all dividends or stock splits, if any, since January 1, 1992.
3. Claimant is liable for and shall pay to Respondent compensatory damages in the amount of \$48,000.00.
4. 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 will retain or collect the non-refundable filing fees for each claim:

Initial claim filing fee	= \$ 1,000.00
Counter claim filing fee	= \$ 250.00

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, Lehman Brothers, Inc. is a party.

Member surcharge	= \$ 1,000.00
Pre-hearing process fee	= \$ 600.00

<u>Hearing process fee</u>	= \$ 2,000.00
<u>Total Member Fees</u>	= \$ 3,600.00

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 @ \$1,000.00 = \$ 2,000.00

Pre-hearing conferences: July 12, 2004 1 session
 May 5, 2005 1 session

Seven (7) Hearing sessions @ \$1,000.00 = \$ 7,000.00

Hearing Dates: September 21, 2005 2 sessions
 September 22, 2005 2 sessions
 September 28, 2005 2 sessions
 September 29, 2005 1 session

Total Forum Fees = \$ 9,000.00

1. The Panel has assessed \$4,500.00 of the forum fees to Claimant.
2. The Panel has assessed \$4,500.00 of the forum fees to Respondent.

Fee Summary

1. Claimant is solely liable for:

Initial Filing Fee	= \$ 1,000.00
Member Fees	= \$ 3,600.00
<u>Forum Fees</u>	= \$ 4,500.00
<u>Total Fees</u>	= \$ 9,100.00
<u>Less payments</u>	= \$ 4,300.00
<u>Balance Due NASD Dispute Resolution</u>	= \$ 4,800.00

2. Respondent is solely liable for:

Counter Claim Filing Fee	= \$ 250.00
<u>Forum Fees</u>	= \$ 4,500.00
<u>Total Fees</u>	= \$ 4,750.00
<u>Less payments</u>	= \$ 1,250.00
<u>Balance Due NASD Dispute Resolution</u>	= \$ 3,500.00

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

ARBITRATION PANEL

Anthony Michael Sabino, Esq.	-	Public Arbitrator, Presiding Chairperson
Roger L. Crossland, Esq.	-	Public Arbitrator
Robina Fedora Asti	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

I, the undersigned arbitrator, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument, which is my award.



Anthony Michael Sabino, Esq.
Public Arbitrator, Presiding Chairperson

10/3/05
Signature Date

Roger L. Crossland, Esq.
Public Arbitrator

Signature Date

Robina Fedora Asti
Non-Public Arbitrator

Signature Date

October 3, 2005
Date of Service (For NASD Dispute Resolution use only)

ARBITRATION PANEL


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Anthony Michael Sabino, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date



Roger L. Crossland, Esq.
Public Arbitrator

9/30/05

Signature Date

Robina Fedora Asti
Non-Public Arbitrator

Signature Date

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Signature Date

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October 3, 2005

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