

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Richard A. Gregory, Luis Bethart, and Fred P. Mazzeo (Claimants) v. Bayard Spector,
American First Capital Corp., and Dain Rauscher, Inc. (Respondents)

Case Number: 00-01363

Hearing Site: New York, New York

Nature of the Dispute: Associated Persons v. Member, Terminated Member, and
Associated Person

REPRESENTATION OF PARTIES

Claimants Richard A. Gregory ("Gregory"), Luis Bethart ("Bethart"), and Fred P.
Mazzeo ("Mazzeo") hereinafter collectively referred to as "Claimants": Michael S.
Wernick, Esq., Harrison, NJ.

Respondents Bayard Spector ("Spector") and America First Capital Corp. ("AFCC"):
Bayard Spector, American First Capital Corp., Miami, FL.

Respondent Dain Rauscher, Inc. ("Dain"): Michael J. McAllister, Esq., Satterlee
Stephens Burke & Burke, LLP, New York, NY.

Spector, AFCC, and Dain are hereinafter collectively referred to as "Respondents".

CASE INFORMATION

Statement of Claim filed on or about: March 29, 2000.

Revised Statement of Claim filed on or about: April 16, 2001.

Claimant Gregory signed the Uniform Submission Agreement: March 23, 2000.

Claimant Bethart signed the Uniform Submission Agreement: March 27, 2000.

Claimant Mazzeo signed the Uniform Submission Agreement: March 21, 2000.

Joint Statement of Answer filed by Respondents Spector and AFCC on or about: July 12,
2000.

Respondent Spector signed the Uniform Submission Agreement: July 10, 2000.

Respondent AFCC signed the Uniform Submission Agreement: July 12, 2000.

Statement of Answer filed by Respondent Dain on or about: August 7, 2000.

Statement of Answer to Revised Statement of Claim filed by Respondent Dain on or
about: May 16, 2001.

Respondent Dain signed the Uniform Submission Agreement: June 8, 2000.

CASE SUMMARY

In the Statement of Claim and Revised Statement of Claim, Claimants asserted the following causes of action: breach of contract; minority shareholder abuse/failure to pay wages/failure to share profits; and failure to pay commissions.

Unless specifically admitted in their Answer, Respondents Spector and AFCC denied the allegations made in the Statement of Claim.

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

RELIEF REQUESTED

In the Statement of Claim and Revised Statement of Claim, Claimants requested compensatory damages in the amount of \$452,038.55; punitive damages in the amount of \$547,961.45; forum fees; attorneys' fees in the amount of one-third the contingent fee; witness and production fees; have Respondent Spector turn over monies from the Office of Supervisory Jurisdiction ("OSJ") Trading Account; stop Respondent Spector from trading in the OSJ Account; and other case-related costs.

In its Answer, Respondent Dain requested that the Statement of Claim as to it be dismissed; and costs, including reasonable attorneys' fees. In its Answer to the Revised Statement of Claim, Respondent Dain requested that the claims as to it be dismissed in their entirety, or in the alternative, stayed pending the resolution of Claimants' claims against Respondents Spector and AFCC; costs, including reasonable attorneys' fees; and such other and further relief as the arbitrators may deem just and proper.

OTHER ISSUES CONSIDERED AND DECIDED

On or about April 5, 2001, Respondent Spector filed for bankruptcy under Chapter 7 of the Bankruptcy Code in the United States Bankruptcy Court for the Southern District of Florida. Therefore, all claims against Spector are stayed.

On or about March 29, 2001, Respondent AFCC filed for bankruptcy under Chapter 7 of the Bankruptcy Code in the United States Bankruptcy Court for the Southern District of Florida. Therefore, all claims against AFCC are stayed.

On or about June 18, 2004, Respondent Dain made a motion to dismiss the claims against it. On or about July 21, 2004, the Panel ordered that Claimants' claims were dismissed without prejudice, but that if Claimants did not renew their claims against Dain by September 30, 2004, then the dismissal would be deemed to be "with prejudice".

AWARD

After considering the pleadings, the testimony and evidence presented at the hearing, and the motion to dismiss filed by Respondent Dain, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. Claimants' claims are dismissed in their entirety.
2. Any and all relief not specifically addressed herein, including punitive damages, 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	= \$375.00
--------------------------	------------

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 persons at the time of the events giving rise to the dispute. Accordingly, Dain Rauscher, Inc. is a party.

Member surcharge	= \$2,000.00
Pre-hearing process fee	= \$ 600.00
Hearing process fee	= \$3,500.00

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 @ \$1,200.00	= \$2,400.00
Pre-hearing conferences: November 13, 2000 1 session	
July 21, 2004 1 session	
One (1) Hearing session @ \$1,200.00	= \$1,200.00
Hearing Date: April 4, 2001 1 session	
Total Forum Fees	= \$3,600.00

1. The Panel has assessed \$1,800.00 of the forum fees jointly and severally against Claimants.
2. The Panel has assessed \$1,800.00 of the forum fees against Respondent Dain.

Fee Summary

1. Claimants are jointly and severally liable for:

Initial Filing Fee	= \$ 375.00
<u>Forum Fees</u>	<u>= \$1,800.00</u>
Total Fees	= \$2,175.00
<u>Less payments</u>	<u>= \$2,450.00</u>
Refund Due Claimants	= \$ 275.00

2. Respondent Dain is solely liable for:

Member Fees	= \$6,100.00
<u>Forum Fees</u>	<u>= \$1,800.00</u>
Total Fees	= \$7,900.00
<u>Less payments</u>	<u>= \$6,700.00</u>
Balance Due NASD Dispute Resolution	= \$1,200.00

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

ARBITRATION PANEL

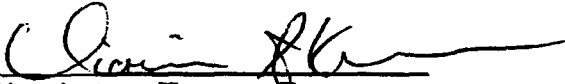
Neil J. Carey	-	Public Arbitrator, Presiding Chairperson
Victoria Anne Kummer, Esq.	-	Public Arbitrator
Linda Yarden, Esq.	-	Non-Public Arbitrator

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 is which is my award.

Neil J. Carey
Public Arbitrator, Presiding Chairperson

Signature Date



Victoria Anne Kummer, Esq.
Public Arbitrator

10/22/04

Signature Date

Linda Yarden, Esq.
Non-Public Arbitrator

Signature Date


November 1, 2004
Date of Service (For NASD Dispute Resolution use only)

ARBITRATION PANEL

Neil J. Carey	-	Public Arbitrator, Presiding Chairperson
Victoria Anne Kummer, Esq.	-	Public Arbitrator
Linda Yarden, Esq.	-	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 is which is my award.



Neil J. Carey
Public Arbitrator, Presiding Chairperson

10/25/04

Signature Date

Victoria Anne Kummer, Esq.
Public Arbitrator

Signature Date

Linda Yarden, Esq.
Non-Public Arbitrator

Signature Date

November 1, 2004

Date of Service (For NASD Dispute Resolution use only)