

**Award
NASD**

In the Matter of the Arbitration Between:

Carl Hanna and Mizie Hanna, Claimants v. CyberVest Securities, Inc., Respondent

Case Number: 00-02480

Hearing Site: Boca Raton, Florida

REPRESENTATION OF PARTIES

For Carl Hanna and Mizie Hanna, hereinafter referred to as "Claimants": Layne Verebay, Layne Verebay, P.A., Fort Lauderdale, FL.

For CyberVest Securities, Inc. ("CVS"), hereinafter referred to as "Respondent": William Chien, CVS, Brooklyn, NY.

CASE INFORMATION

Statement of Claim filed on or about: June 7, 2000.

Claimants signed the Uniform Submission Agreement.

Respondent's Answer filed on or about: August 11, 2000.

Respondent's Uniform Submission Agreement signed: August 11, 2000.

CASE SUMMARY

Claimants alleged the following causes of action: 1) violation of Section 10(b) of the Securities Exchange Act of 1934; 2) violation of Section 517.301 of the Florida Statutes; 3) fraud; 4) breach of fiduciary duty; 5) churning; 6) unsuitability; and 7) unauthorized trading. The causes of action relate to Respondent's handling of Claimants' account.

Unless specifically admitted in its Statements of Answer, Respondent denied the allegations of wrongdoing set forth in Claimants' Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

Claimants requested in their Statement of Claim: 1) compensatory damages in the amount of \$11,500.00 and punitive damages in the amount of three times the compensatory damages. Damages are to be determined in accordance with Section 517.211(4) and 517.211(5) of the Florida Statutes; 2) reasonable attorneys' fees in accordance with Section 517.211(6) thereof; 3) costs; 4) interest; and 5) return of commissions.

Respondent did not specifically delineate a relief request.

OTHER ISSUES CONSIDERED AND DECIDED

On or about June 21, 2002, Claimants informed NASD that they settled their claims against Respondent.

On September 9, 2002, Claimants filed a Motion for an Award Pursuant to Settlement Agreement. Respondent did not file a response to Claimants' Motion. On or about October 9, 2002, the Arbitrator requested that Claimants submit a copy of the parties' settlement agreement. Claimants complied with the Arbitrator's request on October 11, 2002.

On October 29, 2002, the Arbitrator issued an order, giving Respondent until November 12, 2002, to file a response to Claimants' Motion. Respondent did not file an opposition to Claimants' Motion. On November 19, 2002, the Arbitrator issued an order granting Claimants' Motion for an Award Pursuant to Settlement Agreement.

AWARD

After considering the pleadings and Claimants' Motion for an Award Pursuant to Settlement Agreement, the Arbitrator has decided in full and final resolution of the issues submitted for determination as follows:

Pursuant to the Stipulation for Settlement entered into by the parties, Respondent shall pay to Claimants, damages in the amount of \$11,500.00, plus applicable interest.

The Arbitrator made no determination with respect to any other relief requested by Claimants in their Statement of Claim.

FEES

Pursuant to the NASD Code of Arbitration Procedure (the "Code"), the following fees are assessed:

Filing Fees

NASD received or will collect, the non-refundable filing fees for each claim as follows:

Initial claim filing fee	= \$ 175.00
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Member Fees

Member fees are assessed to each member firm that is either a party in the matter or an employer of a Respondent at the time of the events that gave rise to the dispute, claim, or controversy. Respondent CVS is a party to this dispute and was an NASD member at the time the following fees were assessed:

Member Surcharge	= \$ 800.00
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Pre-Hearing Process Fee	= \$	600.00
<u>Hearing Process Fee</u>	= \$	<u>1,000.00</u>
Total Member Fees	= \$	2,400.00

Adjournment Fees

The following adjournment fees are assessed:

January 29, 2002, requested by Claimants	= \$	450.00
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The Arbitrator assessed the total adjournment fee of \$450.00 to Respondent.

Injunctive Relief Fees

Injunctive relief fees are assessed to each member or associated person who files for a temporary injunction in court. Parties in these cases are also assessed arbitrator travel expenses and costs when an arbitrator is required to travel outside his or her hearing location and additional arbitrator honoraria for the hearing for permanent injunction. These fees, except the injunctive relief surcharge, are assessed equally against each party unless otherwise directed by the arbitrator.

Injunctive relief fees were not assessed in this matter.

Administrative Costs

Administrative costs are expenses incurred because a party requested additional services beyond the normal administrative services. These additional services include, but are not limited to, additional copies of arbitrator awards, copies of audio transcripts, retrieval of documents from archives, interpreters, security, and other requests.

There were no administrative costs incurred during these proceedings.

Forum Fees and Assessments

The Arbitrator assessed a forum fee for each pre-hearing conference or hearing session conducted. A pre-hearing conference and hearing session is any meeting between the parties and the Arbitrator. The following fees are assessed:

Two (2) Pre-hearing conferences with the Arbitrator @ \$450.00	= \$	900 00
Pre-hearing conference: August 15, 2001 1 session		
April 18, 2002 1 session		
Total Forum Fees	= \$	900.00

The Arbitrator assessed forum fees of \$225.00 to Claimants, jointly and severally.

The Arbitrator assessed forum fees of \$675.00 to Respondent.

Fee Summary

Claimants are liable for the following fees and costs, jointly and severally:

Initial Filing Fee	= \$	175.00
Retained Hearing Session Deposit	= \$	225.00
<u>Forum Fees</u>	= \$	<u>225.00</u>
Total Fees	= \$	625.00
<u>Less payments</u>	= \$	<u>575.00</u>
Balance Due NASD	= \$	50.00

Respondent CVS is solely liable for the following fees and costs:

Member Fees	= \$	2,400.00
Adjournment Fee	= \$	450.00
<u>Forum Fees</u>	= \$	<u>675.00</u>
Total Fees	= \$	3,525.00
<u>Less payments</u>	= \$	<u>400.00</u>
Balance Due NASD	= \$	3,125.00

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

ARBITRATOR

Pedro R. Pierluisi

Public Presiding Chair

Arbitrator's Signature

/s/
Pedro R. Pierluisi
Chair, Public Arbitrator

Signature Date

December 30, 2002
Date of Service (For NASD office use only)

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Balance Due NASD	= \$ 3,125.00

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ARBITRATOR

Pedro R. Pieriulsi

Public Presiding Chair

Arbitrator's Signature

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Pedro R. Pierhisi
Chair, Public Arbitrator

12/27/02
Signature Date

Date of Service (For NASD office use only)