

Award
NASD Dispute Resolution, Inc.

In the Matter of the Arbitration Between

Name of Claimant

Fulton V. Clark, Jr.

Case No. 00-03454

Names of Respondents

FFP Securities, Inc.
William Chesley Sowell, IV
William C. Sowell d/b/a Sowell, Rownd & Associates
The Financial Advisory Group
Mendel/Sowell Capital Management, Inc.

Hearing Site: New Orleans, LA

REPRESENTATION OF PARTIES

For Fulton V. Clark, Jr., hereinafter referred to as "Claimant": Drake Mann, Esq. of Gill Elrod Ragon Owen Skinner & Sherman, P.A., Little Rock, AR.

For FFP Securities, Inc. ("FFP"), William Chesley Sowell, IV ("Sowell"), William C. Sowell d/b/a Sowell, Rownd & Associates ("SRA"), The Financial Advisory Group ("Financial"), and Mendel/Sowell Capital Management, Inc. ("Mendel"): L. Steven Goldblatt, Esq. of Goldberg, Katz & Stansen, P.C., St. Louis, MO.

CASE INFORMATION

Statement of Claim filed on or about: August 10, 2000.

Claimant signed the Uniform Submission Agreement: August 9, 2000.

Response of Respondents FFP Securities, Inc. and William Chesley Sowell, IV to Statement of Claim filed on or about: November 13, 2000.

Respondent FFP signed the Uniform Submission Agreement: September 27, 2000.

Respondent Mendel signed the Uniform Submission Agreement: December 22, 2000.

Respondent Financial signed the Uniform Submission Agreement: December 22, 2000.

Respondent SRA signed the Uniform Submission Agreement: December 22, 2000.

Respondent Sowell signed the Uniform Submission Agreement: December 22, 2000.

Respondents Mendel, Financial, and SRA did not file Statements of Answer.

CASE SUMMARY

Claimant asserted that Respondents engaged in a series of unsuitable transactions and fraudulent and unethical trade practices. The causes of action relate to the purchases of CNL

Income Fund - XVI, Limited Partnership; Baywater Associates, a Limited Partnership; Sheffield Associates, Limited Partnership; and, Warren Resources, Inc., "Treasury Backed Oil Technology Fund - 1997, Series C," Limited Partnership.

Unless specifically admitted in their Answer, Respondents FFP and Sowell denied the allegations made in the Statement of Claim and asserted the following defenses: ratification; waiver; estoppel and laches; and, contributory negligence.

RELIEF REQUESTED

Claimant requested compensatory damages of \$196,930.00, treble damages, costs, and attorneys' fees.

Respondents FFP and Sowell requested dismissal of the Statement of Claim.

OTHER ISSUES CONSIDERED AND DECIDED

On or about June 26, 2001, Respondents FFP and Sowell filed a motion for expungement of all references to the above captioned arbitration from Respondents FFP and Sowell's registration records maintained by the NASD Central Registration Depository ("CRD"). Claimant filed an objection to the motion on or about July 3, 2001.

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

Claimant's claims against all Respondents are dismissed, with prejudice.

The Panel recommends the expungement of all references to the above captioned arbitration from Respondents FFP and Sowell's registration records maintained by the NASD CRD, with the understanding that pursuant to the NASD Notices to Members 99-09 and 99-54, Respondents FFP and Sowell must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

Any and all relief requests not specifically addressed herein, including Claimant's request for treble damages, are denied.

FEES

Pursuant to the NASD Code of Arbitration Procedure (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	= \$375.00
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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(s) that employed the associated person(s) at the time of the event(s) giving rise to the dispute. In this matter, the member firm 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 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 \$1,200.00	= \$1,200.00
Pre-hearing conference: March 14, 2001 1 session	

Four (4) Hearing sessions x \$1,200.00	= \$4,800.00
Hearing Dates: June 20, 2001 2 sessions	
June 21, 2001 2 sessions	

Total Forum Fees	= \$6,000.00
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The Panel has assessed \$3,000.00 of the forum fees to Claimant.

The Panel has assessed \$3,000.00 of the forum fees jointly and severally to Respondents FFP and Sowell.

Fee Summary

Claimant be and hereby is solely liable for:

Initial Filing Fee	= \$375.00
Forum Fees	= \$3,000.00

Total Fees	= \$3,375.00
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Less payments = \$1,575.00

Balance Due NASD Dispute Resolution, Inc. = \$1,800.00

Respondent FFP be and hereby is solely liable for:

Member Fees = \$6,100.00

Total Fees = \$6,100.00

Less payments = \$6,100.00

Balance Due NASD Dispute Resolution, Inc. = \$0.00

Respondents FFP and Sowell be and hereby are jointly and severally liable for:

Forum Fees = \$3,000.00

Total Fees = \$3,000.00

Less payments = \$0.00

Balance Due NASD Dispute Resolution, Inc. = \$3,000.00

All balances are payable to NASD Dispute Resolution, Inc. and are due immediately upon receipt of the Award by the parties pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

Simeon B. Reimonenq, Jr. Esq.	-	Public Arbitrator, Presiding Chair
Clayton J. Borne, Jr.	-	Public Arbitrator
Dale A. Kaliszeski	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

/s/

Simeon B. Reimonenq, Jr. Esq.
Public Arbitrator, Presiding Chair

Signature Date

/s/

Clayton J. Borne, Jr.
Public Arbitrator

Signature Date

/s/

Dale A. Kaliszeski
Non-Public Arbitrator

Signature Date

July 25, 2001

Date of Service (For NASD-Dispute Resolution office use only)

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NASD DISPUTE RESOLUTION

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NASD Dispute Resolution, Inc.

Arbitration No. 0000000000

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Less payments = \$1,575.00

Balance Due NASD Dispute Resolution, Inc. = \$1,800.00

Respondent ITT is and hereby is solely liable for:

Member Fees = \$6,100.00

Total Fees = \$6,100.00

Less payments = \$6,100.00

Balance Due NASD Dispute Resolution, Inc. = \$0.00

Respondents HSP and Sowell is and hereby are jointly and severally liable for:

Forum Fees = \$3,000.00

Total Fees = \$3,000.00

Less payments = \$0.00

Balance Due NASD Dispute Resolution, Inc. = \$3,000.00

All balances are payable to NASD Dispute Resolution, Inc. and are due immediately upon receipt of the Award by the parties pursuant to Rule 10330(b) of the Code.

ARBITRATION PANEL

Simeon B. Raimoncq, Jr. Esq.

Clayton J. Borne, Jr.

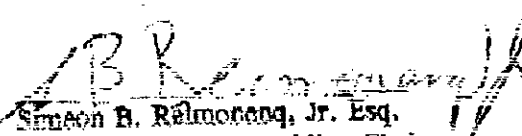
Dein A. Kollman

Public Arbitrator, Presiding Chair

Public Arbitrator

Non-Dispute Arbitrator

Consenting Arbitrators' Signatures


Simeon B. Raimoncq, Jr. Esq.
Public Arbitrator, Presiding Chair

July 23, 2001
Signature Date

Clayton J. Borne, Jr.
Public Arbitrator

Signature Date

Less payments	= \$1,575.00
<u>Balance Due NASD Dispute Resolution, Inc.</u>	<u>= \$1,800.00</u>

Respondent FFP be and hereby is solely liable for:

Member Fees	= \$6,100.00
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<u>Total Fees</u>	<u>= \$6,100.00</u>
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Less payments	= \$6,100.00
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<u>Balance Due NASD Dispute Resolution, Inc.</u>	<u>= \$0.00</u>
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Respondents FFP and Sowell be and hereby are jointly and severally liable for:

Forum Fees	= \$3,000.00
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<u>Total Fees</u>	<u>= \$3,000.00</u>
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Less payments	= \$0.00
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<u>Balance Due NASD Dispute Resolution, Inc.</u>	<u>= \$3,000.00</u>
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All balances are payable to NASD Dispute Resolution, Inc. and are due immediately upon receipt of the Award by the parties pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

Simeon B. Reimonenq, Jr. Esq.	-	Public Arbitrator, Presiding Chair
Clayton J. Borne, Jr.	-	Public Arbitrator
Dale A. Kaliszewski	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

Simeon B. Reimonenq, Jr. Esq.
Public Arbitrator, Presiding Chair

Signature Date

Clayton J. Borne, Jr.
Clayton J. Borne, Jr.
Public Arbitrator

Signature Date


Dale A. Kaliszewski
Non-Public Arbitrator

7/19/01
Signature Date

Date of Service (For NASD-Dispute Resolution office use only)