

**Award
NASD**

In the Matter of the Arbitration Between:

Names of the Claimants

George St. John and Diane St. John

Case Number: 00-03494

Name of the Respondent

Clive Cholerton

Hearing Site: Boca Raton, Florida

REPRESENTATION OF PARTIES

For George St. John and Diane St. John, hereinafter collectively referred to as "Claimants":
Russell L. Forkey, Esq., Russell L. Forkey, P.A., Ft. Lauderdale, Florida.

For Clive Cholerton, hereinafter referred to as "Respondent": Mitchell T. McRae, Esq., Mitchell
T. McRae, P.A., Delray Beach, Florida.

CASE INFORMATION

Statement of Claim filed on or about: August 14, 2000.

Claimants signed the Uniform Submission Agreement: August 10, 2000.

Statement of Answer filed by Respondent on or about: November 8, 2000.

Respondent signed the Uniform Submission Agreement: November 7, 2000.

CASE SUMMARY

Claimants asserted the following causes of action: unsuitability; fraud; negligence; breach of fiduciary duty; and, breach of contract. The causes of action relate to the purchase and sale of shares of American Equities Group, Debentures Series 2, ICON Income Fund Eight-A, IBF Special Purpose Corporation and Grand Court Lifestyles, Inc. in Claimants' account.

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

RELIEF REQUESTED

Claimants requested compensatory damages in the amount of \$140,000.00, rescission, closing costs and interest relative to the mortgage placed on their home, punitive damages in the amount of \$50,000.00, interest, costs and attorney's fees.

Respondent requested judgment dismissing Claimants' claims, costs, attorney's fees and any other relief deemed just and proper.

OTHER ISSUES CONSIDERED AND DECIDED

The parties have agreed that the Award in this matter may be executed in counterpart copies.

On or about October 23, 2001, Strategic Assets, Inc. filed a bankruptcy petition under Chapter 7 of the United States Bankruptcy Code. As such, all proceedings with respect to this entity were stayed and the Panel made no determinations with respect to Strategic Assets, Inc.

AWARD

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

Respondent is found liable to Claimants on the claims of unsuitability, breach of fiduciary duty and negligence and shall pay to Claimants compensatory damages in the amount of \$60,000.00.

Respondent is liable and shall pay to Claimants the sum of \$150.00 representing reimbursement of one-half of the claim filing fee previously paid by Claimants to NASD.

Any and all claims for relief not specifically addressed herein, including Claimants' request for punitive damages, are denied.

FEES

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

Filing Fees

NASD will retain or collect the non-refundable filing fees for each claim:

Initial claim filing fee = \$300.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

October 31 through November 2, 2001, adjournment by Claimants = \$1,125.00 waived by Panel

Injunctive Relief Fees

No injunctive relief fees were incurred in this matter.

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:

One (1) Pre-hearing session with Panel @ \$1,125.00		= \$1,125.00
Pre-hearing conference: June 14, 2001	1 session	

Six (6) Hearing sessions @ \$1,125.00		= \$6,750.00
Hearing Dates: August 19, 2002	2 sessions	
August 20, 2002	2 sessions	
August 21, 2002	2 sessions	

Total Forum Fees	= \$7,875.00
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The Panel has assessed \$3,937.50 of the forum fees jointly and severally to Claimants.
The Panel has assessed \$3,937.50 of the forum fees to Respondent.

Administrative Costs

Administrative costs are expenses incurred due to a request by a party for special services beyond the normal administrative services. These include, but are not limited to, additional copies of arbitrator awards, copies of audio transcripts, retrieval of documents from archives, interpreters, and security.

No administrative costs were incurred in this matter.

FEE SUMMARY

Claimants are jointly and severally liable for:

Initial Filing Fee	= \$300.00
Forum Fees	= \$3,937.50

Total Fees	= \$4,237.50
Less payments	= \$1,425.00

Balance Due NASD	= \$2,812.50
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Respondent is solely liable for:

Forum Fees	= \$3,937.50
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Total Fees	= \$3,937.50
Less payments	= \$0.00

Balance Due NASD	= \$3,937.50
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All balances are payable to NASD and are due upon immediately upon the parties' receipt of the Award pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

<i>Reinaldo Royo, Jr.</i>	-	<i>Public Arbitrator, Presiding Chair</i>
<i>Marc Scott Shapiro</i>	-	<i>Public Arbitrator</i>
<i>Leonard G. Cohen</i>	-	<i>Non-Public Arbitrator</i>

Concurring Arbitrators' Signatures

/s/

08/30/02

Reinaldo Royo, Jr.
Public Arbitrator, Presiding Chair

Signature Date

/s/

09/03/02

Marc Scott Shapiro
Public Arbitrator

Signature Date

/s/

08/29/02

Leonard G. Cohen
Non-Public Arbitrator

Signature Date

09/05/02

Date of Service (For NASD office use only)

ARBITRATION PANEL

<i>Reinaldo Royo, Jr.</i>	-	<i>Public Arbitrator, Presiding Chair</i>
<i>Marc Scott Shapiro</i>	-	<i>Public Arbitrator</i>
<i>Leonard G. Cohen</i>	-	<i>Non-Public Arbitrator</i>

Concurring Arbitrators' Signatures

Reinaldo Royo, Jr.
Public Arbitrator, Presiding Chair

Signature Date



Marc Scott Shapiro
Public Arbitrator

9-3-02

Signature Date

Leonard G. Cohen
Non-Public Arbitrator

Signature Date

Date of Service (For NASD office use only)

NASD Dispute Resolution

Arbitration No. 00-03494

Award Page 4

ARBITRATION PANEL

Reinaldo Royo, Jr.

Marc Scott Shapiro

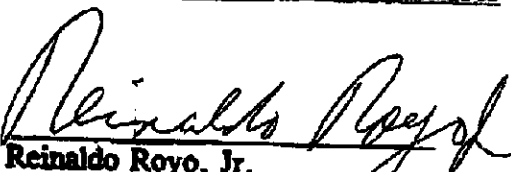
Leonard G. Cohen

Public Arbitrator, Presiding Chair

Public Arbitrator

Non-Public Arbitrator

Concurring Arbitrators' Signatures


Reinaldo Royo, Jr.
Public Arbitrator, Presiding Chair

8/30/2002
Signature Date

Marc Scott Shapiro
Public Arbitrator

Signature Date

Leonard G. Cohen
Non-Public Arbitrator

Signature Date

Date of Service (For NASD office use only)

ARBITRATION PANEL

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<i>Marc Scott Shapiro</i>	-	<i>Public Arbitrator</i>
<i>Leonard G. Cohen</i>	-	<i>Non-Public Arbitrator</i>

Concurring Arbitrators' Signatures

Reinaldo Royo, Jr.
Public Arbitrator, Presiding Chair

Signature Date

Marc Scott Shapiro
Public Arbitrator

Signature Date

Leonard G. Cohen

Leonard G. Cohen
Non-Public Arbitrator

8-29-02

Signature Date

Date of Service (For NASD office use only)