

Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Names of the Claimants

Billie H. and Barbara J. McCutchen
Billie H. McCutchen Rollover IRA
Barbara J. McCutchen IRA
Billie H. McCutchen 401K

Case Number: 00-04714

Names of the Respondents

K.W. Brown Investments
Kenneth William Brown

Hearing Site: Boca Raton, Florida

REPRESENTATION OF PARTIES

For Billie H. and Barbara J. McCutchen ("McCutchens") and Billie H. McCutchen Rollover IRA ("BHM IRA"), Barbara J. McCutchen IRA ("BJM IRA") and Billie H. McCutchen 401K ("BHM 401K"), hereinafter referred to as "Claimants": Delmer C. Gowing, III, Esq., Delmer C. Gowing, III, P.A., Delray Beach, Florida.

For K.W. Brown Investments ("KWBI") and Kenneth William Brown ("Brown"), hereinafter referred to as "Respondents": Russell L. Forkey, Esq., Fort Lauderdale, Florida.

CASE INFORMATION

Statement of Claim filed on or about: December 1, 2000.

Claimants signed the Uniform Submission Agreement: November 27, 2000.

Statement of Answer filed by Respondent Brown on or about: August 1, 2001.

Statement of Answer filed by Respondent KWBI on or about: August 1, 2001.

Respondents did not file executed Uniform Submission Agreements.

CASE SUMMARY

Claimants asserted the following causes of action: 1) negligence; 2) violation of Florida Statutes, Chapter 517; 3) breach of fiduciary duty and 4) fraud. The causes of action relate to the purchase of stock in Informix, Billing Information Concepts and other unspecified technology stocks as well as the sale of stock in Wachovia Corporation, Pfizer, Wal-Mart, Compaq and Massachusetts Investment Trust.

Unless specifically admitted in their Answers, Respondents denied the allegations made in the Statement of Claim and asserted various defenses.

RELIEF REQUESTED

Claimants requested compensatory damages of \$252,100.00, plus punitive damages of \$252,100.00, attorney's fees and the costs of this proceeding.

Respondent Brown requested that all claims against him be dismissed, that he be awarded attorney's fees and such other and further relief as is deemed just and proper. In addition, Respondent Brown requested that all references to this matter be expunged from his NASD Central Registration Depository ("CRD") record.

Respondent KWBI requested that all claims against it be dismissed and that it be awarded attorney's fees and costs. In addition, Respondent KWBI requested that all references to this matter be expunged from its NASD Central Registration Depository ("CRD") record.

OTHER ISSUES CONSIDERED AND DECIDED

Respondents KWBI and Brown did not file with NASD Dispute Resolution, properly executed submissions to arbitration but are required to submit to arbitration pursuant to the NASD Code of Arbitration Procedure (the "Code") and, having answered the claim, appeared and testified at the hearing, are bound by the determination of the undersigned arbitrators (the "Panel") on all issues submitted.

On or about February 3, 2003, the parties filed with NASD Dispute Resolution a Stipulation for Settlement wherein the parties requested that the arbitration proceeding be dismissed, with prejudice, and that the CRD records of Respondents KWBI and Brown maintained by the NASD CRD be expunged.

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

AWARD

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

1. After the presentation of evidence by all parties to the arbitration, the Claimants have determined that the claims filed against the Respondents were unfounded and without factual basis and the Claimants therefore request that the arbitration be dismissed for lack of jurisdiction. Claimants hereby withdraw all claims of wrongdoing against the Respondents.
2. Based upon the panel's finding that the claims were unfounded and without factual bases and based upon the lack of jurisdiction, the Panel hereby grants the parties' request that this arbitration matter be expunged from Respondents'

- KWBI and Brown's records maintained by the NASD CRD.
3. The Panel recommends the expungement of all references to the above captioned arbitration from Respondents K.W. Brown Investments' and Kenneth William Brown's registration records maintained by the NASD CRD, with the understanding that pursuant to NASD Notices to Members 99-09 and 99-54, Respondents KWBI and Brown must obtain confirmation from a court of competent jurisdiction before the NASD CRD will execute the expungement directive.
 4. Any and all claims for relief not specifically addressed herein, including Claimants' requests for punitive damages and claims pursuant to Florida Statutes Chapter 517, are 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
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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 that employed the associated person at the time of the events giving rise to the dispute. Accordingly, K.W. Brown Investments is a party.

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

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

July 15 through July 17, 2002 hearing dates, adjournment requested by Claimants. The Panel waived the adjournment fee.

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 panel.

No injunctive relief fees were incurred during this proceeding.

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 a single arbitrator @ \$450.00	= \$ 450.00
Pre-hearing conference: October 29, 2001	1 session
One (1) Pre-hearing session with Panel @ \$1,200.00	= \$1,200.00
Pre-hearing conference: May 11, 2001	1 session
Eight (8) Hearing sessions @ \$1,200.00	= \$9,600.00
Hearing Dates: November 20, 2002	2 sessions
November 21, 2002	2 sessions
November 22, 2002	2 sessions
January 21, 2003	2 sessions
Total Forum Fees	= \$11,250.00

Pursuant to the agreement of the parties, the total forum fees of \$11,250.00 are assessed to Respondent KWBI.

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 not limited to, additional copies of arbitrator awards, copies of audio transcripts, retrieval of documents from archives, interpreters, and security.

No administrative fees were incurred during this proceeding.

Fee Summary

1. Claimants are jointly and severally liable for:	
Initial Filing Fee	= \$ 375.00
Total Fees	= \$ 375.00
Less payments	= \$ 375.00
Balance Due NASD Dispute Resolution	= \$ 0.00
2. Respondent KWBI is solely liable for:	
Member Fees	= \$ 6,100.00
Forum Fees	= \$11,250.00
Total Fees	= \$17,350.00
Less payments	= \$ 6,170.35
Balance Due NASD Dispute Resolution	= \$11,179.65

All balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to

Rule 10330(g) of the Code.

ARBITRATION PANEL

Robert K. Ruskin, Esq. - *Public Arbitrator, Presiding Chairperson*
Jeffrey Scott Grubman, JD - *Public Arbitrator*
Sandra J. Bakalus - *Non-Public Arbitrator*

Concurring Arbitrators' Signatures

/s/
Robert K. Ruskin, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date

/s/
Jeffrey Scott Grubman, JD
Public Arbitrator

Signature Date

/s/
Sandra J. Bakalus
Non-Public Arbitrator

Signature Date

June 5, 2003


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

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ARBITRATION PANEL

<i>Robert E. Ruskin, Esq.</i>	-	<i>Public Arbitrator, Presiding Chairperson</i>
<i>Jeffrey Scott Grubman, JD</i>	-	<i>Public Arbitrator</i>
<i>Sandra J. Bakalus</i>	-	<i>Non-Public Arbitrator</i>

Concurring Arbitrators' Signatures

Robert E. Ruskin, Esq.
Public Arbitrator, Presiding Chairperson

5/26/03

Signature Date

Jeffrey Scott Grubman, JD
Public Arbitrator

Signature Date

Sandra J. Bakalus
Non-Public Arbitrator

Signature Date

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

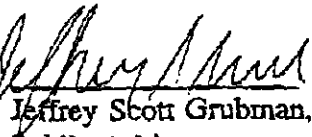
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<i>Sandra J. Bakalus</i>	-	<i>Non-Public Arbitrator</i>

Concurring Arbitrators' Signatures

Robert K. Ruskin, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date


Jeffrey Scott Grubman, JD
Public Arbitrator

5/27/03
Signature Date

Sandra J. Bakalus
Non-Public Arbitrator

Signature Date

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ARBITRATION PANEL

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<i>Sandra J. Bakalus</i>	-	<i>Non-Public Arbitrator</i>

Concurring Arbitrators' Signatures

Robert K. Ruskin, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date

Jeffrey Scott Grubman, JD
Public Arbitrator

Signature Date

Sandra J. Bakalus
Sandra J. Bakalus
Non-Public Arbitrator

5/22/03
Signature Date

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