
Award
NASD Dispute Resolution, Inc.

In the Matter of the Arbitration Between:

Worthington Venture Fund, Inc.,
Claimant

Vs.

Public Securities, Inc.,
Respondent.

Case Number: 00-05142
Hearing Site: Columbus, Ohio

REPRESENTATION OF PARTIES

Claimant Worthington Venture Fund, Inc. ("Worthington"), hereinafter referred to as "Claimant," was represented by Phillip L. Harmon, Esquire, Worthington, Ohio.

Respondent/Counterclaimant Public Securities, Inc. ("PSI"), hereinafter referred to as "Respondent," was represented by Charles A. Cleveland, Esquire, Spokane, Washington.

CASE INFORMATION

The Statement of Claim was filed on or about November 20, 2000.
Paul Parshall, Worthington's President, signed the Uniform Submission Agreement on November 9, 2000.

Respondent filed a Preliminary Statement of Answer and Counterclaim on or about January 12, 2001.
William Ross, PSI's President, signed the Uniform Submission Agreement on December 29, 2000.

Claimant filed an Answer to Respondent's Counterclaim on or about January 19, 2001.

CASE SUMMARY

Claimant asserted the following causes of action in its Statement of Claim: negligence, unauthorized trading, clearing rules violations, breach of contract and conversion. These causes of action related to transactions involving the following common stocks: Net Tel, Inc., Corning, JDS Uniphase, CT Holdings, Broadband Wireless and Industrial Ecosystems.

Unless stated otherwise in its Preliminary Statement of Answer and Counterclaim, Respondent denied the allegations set forth in the Statement of Claim and asserted the following affirmative defenses: failure to state a claim for which relief can be granted, ratification, estoppel, waiver, laches, contributory negligence and failure to mitigate.

Unless stated otherwise in its Answer to Respondent's Counterclaim, Claimant denied the allegations set forth in the Counterclaim and asserted the following affirmative defenses: failure to state a claim upon which relief can be granted and contributory negligence.

RELIEF REQUESTED

In its Statement of Claim, Claimant requested:

Compensatory Damages	\$169,095.09
Punitive Damages	\$300,000.00
Costs	not specified
Attorney's Fees	not specified
Interest	not specified

In its Preliminary Statement of Answer, Respondent requested that the claims against it be dismissed in their entirety and expunged from Respondent's records maintained by the NASD Central Registration Depository ("CRD"), and that it be awarded costs and attorney's fees.

In its Counterclaim, Respondent requested:

Compensatory Damages	\$ 1,398.70
Costs	not specified
Attorney's Fees	not specified
Interest	not specified

In its Answer to Respondent's Counterclaim, Claimant requested that the Counterclaim be dismissed in its entirety, and that it be awarded costs, attorney's fees and additional punitive damages.

OTHER ISSUES CONSIDERED AND DECIDED

On or about January 19, 2001, Claimant filed a motion for partial summary judgment. Respondent responded to the motion on or about February 22, 2001. On July 5, 2001, the undersigned Panel denied the motion.

On or about November 14, 2001, Respondent filed a motion to dismiss. Claimant responded to the motion on or about November 14, 2001. On November 16, 2001, the undersigned Panel denied the motion.

On or about November 30, 2001, Respondent filed a motion to supplement the hearing record and a post-hearing brief. Claimant responded to the motion and filed its own post-hearing brief on or about December 3, 2001. On or about December 24, 2001, Respondent filed a second motion to supplement the hearing record. Claimant responded to the motion on or about December 27, 2001. On January 11, 2002, the undersigned Panel granted both motions.

AWARD

After considering the pleadings, the testimony and evidence presented at the hearing, and the post-hearing submissions filed by the parties, the undersigned Panel finds in full and final resolution of the issues submitted for determination as follows:

1. All claims filed by Claimant Worthington Venture Fund, Inc., against Respondent Public Securities, Inc., are denied.
2. All claims filed by Respondent Public Securities, Inc., in its Counterclaim against Claimant Worthington Venture Fund, Inc., are denied.
3. Except as otherwise specified herein, each party shall bear its own costs and attorneys' fees.
4. Any and all relief not specifically addressed herein is denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution, Inc. will collect or retain the following non-refundable fees:

Initial claim filing fee	= \$ 300.00
Counterclaim filing fee	= \$ 300.00

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 surcharges	= \$1,500.00
Pre-hearing process fees	= \$ 600.00
Hearing process fees	= \$2,500.00

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 the panel x \$1,125	= \$1,125.00
Pre-hearing conference: June 1, 2001 1 session	
Three (3) Hearing sessions x \$1,125	= \$3,375.00
Hearing date: November 19, 2001 3 sessions	
Total Forum Fees	= \$4,500.00

The Panel has assessed the forum fees incurred in this arbitration as follows: 50% (\$2,250) to Worthington and 50% (\$2,250) to PSI.

Fee Summary

1. Claimant Worthington Venture Fund, Inc., is solely liable for:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$2,250.00
Total Fees	= \$2,550.00
Less payments	= \$1,425.00
Balance Due to NASD Dispute Resolution, Inc.	= \$1,125.00

2. Respondent Public Securities, Inc., is solely liable for:

Counterclaim Filing Fee	= \$ 300.00
Forum Fees	= \$2,250.00
Member Fees	= \$4,600.00
Total Fees	= \$7,150.00
Less payments	= \$2,943.00
Balance Due to NASD Dispute Resolution, Inc.	= \$4,207.00

All balances are due to NASD Dispute Resolution, Inc.

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ARBITRATION PANEL

Thomas J. Bonasera, Esq.
Anne W. Larkin, Esq.
Stephen Cartwright

- Public Arbitrator, Chairperson
- Public Arbitrator
- Non-Public Arbitrator

Concurring arbitrators' signatures -

Anne W. Larkin
Anne W. Larkin, Esq.
Public Arbitrator

2/27/02
Signature Date

Stephen Cartwright
Non-Public Arbitrator

Signature Date

Dissenting arbitrator's signature -

Thomas J. Bonasera, Esq.
Public Arbitrator

Signature Date

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

Received Time

Feb. 21, 5:37PM

Print Time

Feb. 21, 5:39PM

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Thomas J. Bonasera, Esq.

Public Arbitrator, Chairperson

Anne W. Larkin, Esq.

Public Arbitrator

Stephen Cartwright

Non-Public Arbitrator

Concurring arbitrators' signatures -

Anne W. Larkin, Esq.

Signature Date

Public Arbitrator

Stephen Cartwright

Feb 22, 2002

Stephen Cartwright

Signature Date

Non-Public Arbitrator

Dissenting arbitrator's signature -

Thomas J. Bonasera, Esq.

Signature Date

Public Arbitrator

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

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<i>Thomas J. Bonasera, Esq.</i>	-	Public Arbitrator, Chairperson
<i>Anne W. Larkin, Esq.</i>	-	Public Arbitrator
<i>Stephen Cartwright</i>	-	Non-Public Arbitrator

Concurring arbitrators' signatures -

Anne W. Larkin, Esq.
Public Arbitrator

Signature Date

Stephen Cartwright
Non-Public Arbitrator

Signature Date

Dissenting arbitrator's signature -

Thomas J. Bonasera, Esq.
Public Arbitrator

2/22/02
Signature Date

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