
Award
NASD Dispute Resolution, Inc.

In the Matter of the Arbitration Between: First Union Securities, Inc. (Claimant) v.
Thomas Worley (Respondent)

Case Number: 01-00134

Hearing Site: Houston, Texas

REPRESENTATION OF PARTIES

Claimant, First Union Securities Inc., ("Claimant") was represented by Edward A. Walton, Esq. of Kane & Fisher, Ltd, Chicago, Illinois.

Respondent, Thomas S. Worley ("Respondent") of Spring Texas represented himself.

CASE INFORMATION

Statement of Claim filed on or about: March 2, 2001.

Claimant signed the Uniform Submission Agreement: December 29, 2001.

Respondent did not sign a Uniform Submission Agreement on or file a Statement of Answer.

CASE SUMMARY

Claimant asserted the following causes of action: breach of contract, Failure to pay the balance on a promissory note.

Respondent did not dispute respond to Claimant's allegations.

RELIEF REQUESTED

Claimant requested:

Compensatory Damages	\$104, 541.60
Punitive Damages	Unspecified
Costs	Unspecified

Attorneys' fees

Unspecified

OTHER ISSUES CONSIDERED AND DECIDED

At the time of the hearing Claimant moved to amend its complaint to include interest on the promissory note at the contract rate of 6%; interest accrued on the balance due and owing at the highest rate permitted by law; unreimbursed taxes, attorneys' fees, and costs. Respondent did not present an opposition to the motion to amend. The panel allowed the amendment.

At the time of the hearing Claimant moved to preclude Respondent from asserting any defenses. Respondent did not present any opposition to the motion to preclude evidence. The panel denied this motion.

AWARD

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

1. Respondent Thomas S. Worley is liable and shall pay to Claimant First Union Securities, Inc. the sum of \$104,514.60, which is the principal balance on the promissory note, plus interest accrued on the Note at the contract rate of (six) 6% in the sum of \$962.08 for a total of \$105,476.68;
2. Respondent Thomas S. Worley is liable and shall pay to Claimant First Union Securities, Inc. the sum of \$ 25,296.83 in accrued interest from the date of default.
3. Respondent Thomas S. Worley is liable and shall pay to Claimant First Union Securities, Inc., the sum of \$765.18 in unreimbursed taxes, which First Union paid on Mr. Worley's behalf relating to the February 1999 forgiveness under the terms of the Note;
4. Respondent Thomas S. Worley is liable and shall pay to Claimant First Union Securities, Inc., attorneys' fees in the sum of \$9,364.00. In deciding to award attorneys' fee, the panel considered the arguments of the parties, as well as the pleadings filed on their behalf, and determined that the authority existed for an award of attorneys' fees to First Union Securities, Inc.
5. Respondent Thomas S. Worley is liable and shall pay to Claimant First Union Securities, Inc., costs in the sum of \$6,925.80;
6. Except as otherwise specified herein, each party shall bear its own costs;
7. 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 retain or collect the non-refundable filing fees for each claim:

Initial Claim Filing Fee	= \$1000.00
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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. In this matter, the member firm First Union Securities, Inc. is the Claimant.

Member surcharge	= \$1,500.00
Pre-hearing process fee	= \$ 600.00
Hearing process fee	= \$ 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 proceeding:

(2) Two Pre-hearing session with panel x \$ 1,125.00	= \$ 2,250.00
Pre-hearing conference: August 06, 2001	1 session
August 27, 2001	1 session
One (1) Hearing sessions x \$1,125.00	= \$ 1,125.00
Hearing Dates: January 8, 2001	1 sessions
Total Forum Fees	= \$3,375.00

1. The panel has assessed \$3,375.00 of the forum fees to Claimant First Union Securities, Inc.

FEE SUMMARY

1. Claimant First Union Securities is solely liable for:

Initial Filing Fee	= \$ 1,000.00
Member Fees	= \$ 4,600.00
Forum Fees	= \$ 3,375.00
Total Fees	= \$ 8,975.00
Less payments	= \$ 6,725.00
Balance Due NASD Dispute Resolution, Inc.	= \$ 2250.00

All balances are due to NASD Dispute Resolution, Inc.

ARBITRATION PANEL

Robert E. Otto	-	Non -Public Arbitrator
Charles E. Martin, CPA	-	Non-Public Arbitrator, Presiding Chair
Robert N. Mackey	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

Robert E. Otto
Non-Public Arbitrator

Signature Date

Charles E. Martin, CPA
Non-Public Arbitrator, Presiding Chair

Signature Date

Robert N. Mackey
Non-Public Arbitrator

Signature Date

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

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NASD REGULATION

NASD-DR# 01-00134

P.4 of 8

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- Non-Public Arbitrator, Presiding Chair

Robert N. Mackey

- Non-Public Arbitrator

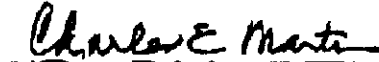
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2/20/02
Signature Date



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NASD-DR # 01-00134
P. 4 of 4

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