

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Kenneth D. Rickel, and on behalf of certain individuals and entities that he represents (Claimants) vs. MedFirst Capital Resources, Inc., MedFirst Healthcare, Inc., Gary S. Pagar, and James A. Ripp (Respondents)

Case Number: 01-00140

Hearing Site: New York, New York

Nature of the Dispute: Customers vs. Non-Members

REPRESENTATION OF PARTIES

Claimants Kenneth D. Rickel, and on behalf of certain individuals and entities that he represents ("Claimants"): Derek A. Wolman, Esq., Wolman, Babitt & King L.L.P., New York, NY.

Respondents MedFirst Capital Resources, Inc. ("Medfirst Capital"), MedFirst Healthcare, Inc. ("Medfirst Healthcare"), and Gary S. Pagar ("G. Pagar"), hereinafter collectively referred to as "Respondents": Gary S. Pagar, New York, NY.

Respondent James A. Ripp ("J. Ripp") did not enter an appearance in this matter.

CASE INFORMATION

Statement of Claim filed on or about: January 10, 2001.
Amended Statement of Claim filed on or about: February 21, 2001.
Claimants signed the Uniform Submission Agreement: January 25, 2001.

Respondents did not file a Statement of Answer.
MedFirst Capital did not sign the Uniform Submission Agreement.
MedFirst Healthcare did not sign the Uniform Submission Agreement.
G. Pagar did not sign the Uniform Submission Agreement.
A. Ripp did not file a Statement of Answer or a Uniform Submission Agreement.

CASE SUMMARY

Claimants asserted the following causes of action: default on promissory notes; misrepresentation, and breach of contract. The causes of action relate to the advancement of \$5,150,000.00 through the purchase of promissory notes.

RELIEF REQUESTED

Claimants requested compensatory damages in the amount of \$3,450,702.60, interest,

lost opportunity, attorneys' fees, cost and disbursements, and such other relief as the Panel may deem just and proper.

OTHER ISSUES CONSIDERED AND DECIDED

Respondents MedFirst Capital, MedFirst Healthcare, and Pagar are not members of NASD but have a contract to arbitrate their disputes with NASD Dispute Resolution.

By letter dated June 27, 2002, NASD Dispute Resolution ("NASD-DR") advised the Claimants that it was unable to perfect service on the Respondents and A. Ripp and that the Claimants was required to show that the Respondents and A. Ripp had been properly served with the Statement of Claim in accordance with Rules 10302 and 10314 of the NASD Code of Arbitration Procedure.

Pursuant to Claimants' Motion for a Default Award dated June 22, 2005, the Panel, by order dated July 26, 2005, denied Claimants' motion but declined to dismiss this arbitration, for lack of prosecution to afford Claimants another opportunity, to effect service of process in this arbitration on the Respondents and A. Ripp.

By letter dated December 21, 2005, Claimants' counsel notified NASD-DR of effecting service of processes on Gary Pagar individually and as Chief Executive Officer of MedFirst Capital and MedFirst Healthcare.

By second letter also dated December 21, 2005, Claimants' counsel notified NASD-DR of effecting service of the Amended Statement of Claim on MedFirst Capital and MedFirst Healthcare through the Delaware Secretary of State on December 16, 2005.

At a pre-hearing conference held on December 29, 2005, the Panel dismissed Claimants' claims in the absence of Claimants' counsel for lack of prosecution and for the failure of Claimants' counsel to abide by the terms of a prior ruling of the Panel issued on June 15, 2005.

By letter dated August 22, 2002, Claimants dismissed all claims against Respondent James Ripp.

AWARD

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

1. Claimants' claims are dismissed in their entirety.
2. 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 will retain or collect the non-refundable filing fees for each claim:

Initial claim filing fee = \$ 600.00

Forum Fees and Assessments

The Panel has assessed forum fees for each session conducted or each decision rendered on a discovery-related motion on the papers. 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:

Three (3) Pre-hearing sessions with Panel @ \$1,200.00 per session	=	\$ 3,600.00
Pre-hearing conferences: October 14, 2003	1 session	
June 15, 2005	1 session	
December 29, 2005	1 session	
Total Forum Fees	=	\$ 3,600.00

1. The Panel has assessed \$3,600.00 of the forum fees to the Claimants.

Fee Summary

1. Claimants are liable for:

Initial Filing Fee	= \$ 600.00
Forum Fees	= \$ 3,600.00
Total Fees	= \$ 4,200.00
Less payments	= \$ 1,800.00
Balance Due NASD Dispute Resolution	= \$ 2,400.00

All balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

Sheldon M. Finkelstein, Esq.	-	Public Arbitrator, Presiding Chairperson
Edward Baer, Esq.	-	Public Arbitrator
Linda T. Pellegrino, Esq.	-	Public Arbitrator

Concurring Arbitrators' Signatures

I, the undersigned arbitrator, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument, which is my award.


Sheldon M. Finkelstein, Esq.
Public Arbitrator, Presiding Chairperson

5/15/06
Signature Date

Edward Baer, Esq.
Public Arbitrator

Signature Date

Linda T. Pellegrino, Esq.
Public Arbitrator

Signature Date

May 30, 2006
Date of Service (For NASD Dispute Resolution use only)

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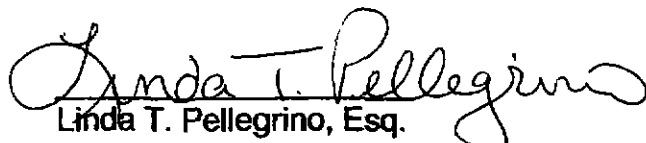
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