

**Award**  
**NASD Dispute Resolution, Inc.**

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In the Matter of the Arbitration Between

Name of Claimant

Ferris, Baker Watts, Inc.

Case No. 01-00649

Name of Respondent

Jack Stone

Hearing Site: Baltimore, Maryland

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**REPRESENTATION OF PARTIES**

Claimant, Ferris, Baker Watts, Inc. ("FBW"), hereinafter referred to as "Claimant": Dana M.S. Wilson, Esq., Ferris, Baker Watts, Inc., Baltimore, MD.

Respondent, Jack Stone ("Stone"), hereinafter referred to as "Respondent" did not appear at the hearing.

**CASE INFORMATION**

Statement of Claim filed on or about: February 6, 2001

Claimant's representative signed the Uniform Submission Agreement: February 2, 2001

Respondent did not submit a Uniform Submission Agreement or Answer

**CASE SUMMARY**

Claimant asserted the following causes of action: nonpayment of debit balance in account. The cause of action related to the purchase of Homeseekers.com Inc. stock.

**RELIEF REQUESTED**

Claimant amended their request for relief in their pre-hearing brief. Claimant requested compensatory damages of \$359,418.07, plus interest on that amount in an unspecified amount. Claimant also requested attorneys' fees and other costs, in unspecified amounts.

**OTHER ISSUES CONSIDERED AND DECIDED**

Respondent did not file with NASD Dispute Resolution, Inc. a properly executed submission to arbitration or an Answer to the Statement of Claim. Respondent did sign an arbitration agreement as part of the Customer Account Agreement between the parties. Upon review of the file and the representations made by the Claimant, the undersigned arbitrators (the "Panel") determined that Respondent has been properly served with the Statement of Claim and received due notice of the hearing, and that arbitration of the matter would proceed without said Respondent present, in accordance with the NASD Code of Arbitration Procedure (the "Code").

Claimant's Motion for Hearing on the Papers was denied by the Panel on November 19, 2001.

**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. That Respondent is liable to and shall pay Claimant compensatory damages in the amount of \$314,887.23, plus interest on said amount at the legal rate of interest in Maryland. Interest shall be calculated on a simple basis and shall accrue from January 29, 2002 through the date the Award is paid in full;
2. That Respondent is liable to and shall pay to Claimant the sum of \$47,233.08 as attorneys' fees. The authority for the award of attorneys' fees is the Customer Account Agreement between the parties;
3. That Respondent is liable to and shall reimburse Claimant for filing fees of \$1,000;
4. That the parties shall bear their respective costs, except as specifically addressed above or as to Fees specifically addressed below; and
5. That any and all claims not specifically addressed herein are denied in their entirety.

**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 = \$1,000

**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 surcharge = \$1,500

Pre-hearing process fee = \$ 600

Hearing process fee = \$2,500

**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 Panel x \$1,125 = \$1,125

Pre-hearing conference: October 1, 2001 1 session

One (1) Hearing session x \$1,125 = \$1,125

Hearing Date: January 29, 2002 1 session

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Total Forum Fees = \$2,250

The Panel has assessed \$562.50 of the forum fees to Claimant.

The Panel has assessed \$1,687.50 of the forum fees to Respondent.

**Fee Summary**

Claimant is assessed the following fees:

Initial Filing Fee = \$ 00.00

Member Fees = \$4,600.00

Forum Fees = \$ 562.50

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Total Fees = \$5,162.50

Less payments = \$4,225.00

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Balance Due NASD Dispute Resolution, Inc. = \$ 937.50

Respondent is assessed the following fees:

Initial Filing Fee = \$1,000.00

Forum Fees = \$1,687.50

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Total Fees = \$2,687.50

Less payments = \$ 00.00

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Balance Due NASD Dispute Resolution, Inc. = \$2,687.50

All balances are due to NASD Dispute Resolution, Inc.

**ARBITRATION PANEL**

T.S.L. Perlman	-	Public Arbitrator, Presiding Chairman
Caryl S. Bernstein	-	Public Arbitrator, Panelist
Phillip R. Clark	-	Non-Public Arbitrator, Panelist

Concurring Arbitrators' Signatures



T.S.L. Perlman

Public Arbitrator, Presiding Chairman

  
Signature Date

\_\_\_\_\_  
Caryl S. Bernstein

Public Arbitrator, Panelist

\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Phillip R. Clark

Non-Public Arbitrator, Panelist

\_\_\_\_\_  
Signature Date

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

**Concurring Arbitrators' Signatures**

\_\_\_\_\_  
T.S.L. Perlman  
Public Arbitrator, Presiding Chairman

\_\_\_\_\_  
Signature Date

Caryl S. Bernstein  
Caryl S. Bernstein  
Public Arbitrator, Panelist

March 5, 2002  
Signature Date

\_\_\_\_\_  
Phillip R. Clark  
Non-Public Arbitrator, Panelist

\_\_\_\_\_  
Signature Date

3/6/02  
Date of Service (For NASD-Dispute Resolution office use only)

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Concurring Arbitrators' Signatures

T.S.L. Perlman  
Public Arbitrator, Presiding Chairman

Signature Date

Caryl S. Bernstein  
Public Arbitrator, Panelist

Signature Date

Philip R. Clark  
Philip R. Clark  
Non-Public Arbitrator, Panelist

3/1/02  
Signature Date

3/6/02  
Date of Service (For NASD-Dispute Resolution office use only)