

Award
NASD Dispute Resolution, Inc.

In the Matter of the Arbitration Between:

Maria Wortham, Trustee, on Behalf of the Duggar One Trust, (Claimant) v. Tradestar Investments, Inc., (Respondents)

Case Number: 01-00719

Hearing Site: Houston, Texas

REPRESENTATION OF PARTIES

Claimant Maria Wortham, Trustee, on Behalf of the Duggar One Trust ("Duggar One Trust"): William S. Shepherd, Esq. of the firm Shepherd & Smith, P.C. located in Houston, Texas.

Respondent Tradestar Investments, Inc. ("Tradestart"): Angela Saccomandi, Esq. in-house Counsel fo Fiserv Securities, Inc. located in Philadelphia, Pennsylvania.

CASE INFORMATION

Statement of Claim filed on or about: February 12, 2001

First Amended Statement of Claim filed on or about: November 14, 2001

Second Amended Statement of Claim (Responsive to the Motion to Dismiss)filed on or about: December 07, 2001

Claimant Duggar One Trust signed the Uniform Submission Agreement: November 27, 2000

Statement of Answer filed by Respondent Tradestart on or about: May 04, 2001

Respondent's Motion to Dismiss filed on or about: November 14, 2001

Respondent Tradestart signed the Uniform Submission Agreement: April 19, 2001

CASE SUMMARY

Claimant Duggar One Trust asserted the following causes of action: Breach of Contract and Warranties, Promissory Estoppel; Violation of the Texas Deceptive Trade Practices – Consumer Protection Act; Fraud; Negligence; Misrepresentation; Breach of Fiduciary Duty; Violation of State and Federal Securities Laws; and Respondeat Superior.

The causes of action relate to the handling of the Duggar One Trust account at Tradestar. Unless specifically admitted in its Answer, Respondents Tradestar Investments, Inc. denied the allegations made in the Statement of Claim and asserted the following defenses: Claim barred by the applicable Statutes of Limitations; Failure to State a Claim Upon Which Relief Can be Granted; Laches; Waiver; Estoppel; Unclean Hands; Contributory Negligence; the Doctrine of *in pari delicto*; and Lack of Standing.

RELIEF REQUESTED

Claimant Duggar One Trust requested:

Compensatory Damages	\$500,000.00
Punitive Damages	unspecified
Interest	maximum pre-award and post-award rate allowable by law
Attorneys' Fees	reasonable
Other Monetary/Non-Monetary Relief if any:	as the panel deems appropriate

Respondent Tradestar Investments, Inc. requested:

Other Monetary/Non-Monetary Relief if any:	Dismissal of Claims and Contribution/Indemnification from Claimant
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OTHER ISSUES CONSIDERED AND DECIDED

On November 17, 2001 the panel declined to rule on Respondent's Motion to Dismiss and stated it would rule on the motion at the hearing. After considering the Respondent's Motion to Dismiss Statement of Claim and Response to said motion, the panel denied the motion at hearing.

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. Any and all claims asserted by Claimant Maria Wortham, Trustee, on behalf of the Duggar One Trust against Respondent Tradestar Investments, Inc. are denied.
2. Parties shall bear their own costs, including attorney's fees.
3. Any and all relief not specifically addressed herein, including punitive damages, 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 = \$300.00

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 is a party.

Member surcharge	= \$1,500.00
Pre-hearing process fee	= \$ 600.00
<u>Hearing process fee</u>	<u>= \$2,500.00</u>
Total Member Fees	= \$4,600.00

Adjournment Fees

Adjournments requested during these proceedings:

Tradestar Investment, Inc. requested an adjournment of the January 29, 2002 - February 01, 2002 hearing dates= \$ 1,125.00

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 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 x \$450.00	= \$ 450.00
Pre-hearing conference: December 14, 2001 1 session	
Two (2) Pre-hearing sessions with Panel x \$1,125.00	= \$ 2,250.00
Pre-hearing conferences: August 01, 2001 1 session	
January 29, 2002 1 session	
Eight (8) Hearing sessions x \$1,125.00	= \$ 9,000.00
Hearing Dates: February 12, 2002 3 sessions	
February 13, 2002 2 sessions	
February 14, 2002 3 sessions	
Total Forum Fees	= \$11,700.00

The panel has assessed \$11,700.00 of the forum fees to Claimant Duggar One Trust.

FEE SUMMARY

1. Claimant Duggar One Trust is solely liable for:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$ 11,700.00
Total Fees	= \$ 12,000.00
Less payments	= \$ 1,575.00
Balance Due NASD Dispute Resolution, Inc.	= \$ 10,425.00

2. Respondent Tradestar Investments, Inc. is solely liable for:

Member Fees	= \$ 4,600.00
Adjournment Fee	= \$ 1,125.00
Total Fees	= \$ 5,725.00
Less payments	= \$ 4,600.00
Balance Due NASD Dispute Resolution, Inc.	= \$ 1,125.00

All balances are due to NASD Dispute Resolution, Inc.

ARBITRATION PANEL

Thomas D. Nagle	-	Public Arbitrator, Presiding Chair
Frank M. Romano	-	Public Arbitrator
Ann I. Miller	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

Thomas D. Nagle
Public Arbitrator, Presiding Chair

Signature Date

Frank M. Romano
Public Arbitrator

Signature Date

Ann I. Miller
Non-Public Arbitrator

Signature Date

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

NASD Dispute Resolution, Inc.
Arbitration Case #: 01-00719
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Concurring Arbitrators' Signatures


Thomas D. Nagle
Public Arbitrator, Presiding Chair

March 11 2002
Signature Date

Frank M. Romano
Public Arbitrator

Signature Date

Ann I. Miller
Non-Public Arbitrator

Signature Date

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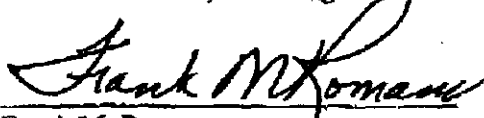
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Concurring Arbitrators' Signatures

Thomas D. Nagle
Public Arbitrator, Presiding Chair

Signature Date



Frank M. Romano
Public Arbitrator

3/12/02

Signature Date

Ann I. Miller
Non-Public Arbitrator

Signature Date

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Thomas D. Nagle
Public Arbitrator, Presiding Chair

Signature Date

Frank M. Romano
Public Arbitrator

Signature Date



Ann I. Miller
Non-Public Arbitrator

MARCH 13, 2002

Signature Date

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