

AWARD
NASD Dispute Resolution

In the Matter of the Arbitration Between

Claimant

First Union Securities, Inc.

V.

01-00757
Dallas, Texas

Respondent

John J. Coutris

REPRESENTATION OF PARTIES

First Union Securities, Inc. ("Claimant") was represented by Renan I. Sugarman, Esq., Attorney at Law, Chicago, Illinois.

John J. Coutris ("Respondent") appeared pro se, but did not appear at the hearing.

CASE INFORMATION

The Statement of Claim was filed on or about February 13, 2002. Submission Agreement of Claimant First Union Securities, Inc. was signed on February 13, 2001.

No Statement of Answer or Submission Agreement was ever filed by Respondent John J. Coutris.

CASE SUMMARY

Claimant asserted the following causes of action: breach of employment contract and failure to repay promissory notes. The causes of action relate to Respondent John J. Coutris' alleged failure to honor and repay two promissory notes that became due when he left the firm on January 8, 2001.

RELIEF REQUESTED

Claimant requested an award in the amount of \$84,373.13, the principle balance due under promissory note dated 01/21/1999, an overdraft balance of \$22,508.09, interest, costs, attorney's fees and any other fees the Panel may deem appropriate.

Claimant also requested an award in the amount of \$40,546.00, the principle balance under the promissory note dated 3/14/2000, interest, costs, attorney's fees, and any other fees the Panel may deem appropriate.

OTHER ISSUES CONSIDERED & DECIDED

Upon review of the file and the representations made on behalf of the Claimant, the undersigned arbitrators have determined that Respondent John J. Coutris had been properly served with the Statement of Claim pursuant to Rule 10314 of NASD Code of Arbitration Procedure (the "Code"). The undersigned arbitrators have also determined that Respondent John J. Coutris had received due notice of the hearing as required under Rule 10315 of the Code and that arbitration of the matter would proceed pursuant to Rule 10318 of the Code.

Respondent John J. Coutris did not file with NASD Dispute Resolution a properly executed submission to arbitration but is required to submit to arbitration pursuant to Rule 10301 of NASD Code of Arbitration Procedure (the "Code") and having appeared at the initial pre-hearing conference call and various times throughout the duration of this arbitration case is bound by the determination of the arbitration panel on all issues submitted.

The parties have agreed that the Award in this matter may be executed in counterpart copies or that a handwritten, signed Award may be entered. In either case, the parties have agreed to receive conformed copies of the award while the originals remain on file with NASD Dispute Resolution ("NASD").

AWARD

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

1. Respondent John J. Coutris, is liable for and shall pay to Claimant, First Union Securities, the sum of One Hundred Twenty Sixty Thousand, Four Hundred and Four Dollars, and Fifteen Cents (\$126,434.15) as compensatory damages.
2. Respondent, John J. Coutris is liable for and shall pay to Claimant, First Union Securities, Inc., Three Thousand, Five Hundred Dollars and No Cents (\$3,500.00) in attorney's fees.
3. Respondent, John J. Coutris is liable for and shall pay to Claimant, First Union Securities, Inc., Five Thousand, Six Hundred Dollars and No Cents (\$5,600.00) in costs for this arbitration claim.
4. Respondent, John J. Coutris is liable for and shall pay to Claimant, First Union Securities, Inc., Thirteen Thousand, One Hundred and Four Dollars and Fifty Two Cents (\$13,104.52) in interest for the dates starting January 8, 2001 through October 3, 2002.

5. That to the extent not specifically awarded or otherwise provided for above, all other claims and requests for relief by any party hereto are hereby denied with prejudice.

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 = \$ 1,000

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 First Union Securities, Inc.

Member surcharge	= \$ 1,500
Pre-hearing process fee	= \$ 600
Hearing process fee	= \$ 2,500

Forum Fees and Assessments

The Arbitration Panel assesses 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 = \$ 450

Pre-hearing conference: 07/17/2001 1 session

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

Hearing Date: 10/07/2002 1 session

Total Forum Fees = \$1,575

The Arbitration Panel has assessed \$1,575 of the forum fees to John J. Coutris.

Fee Summary

Claimant, First Union Securities, Inc., shall be and hereby is liable for:

Initial Filing Fee	= \$ 1,000
Member Fees	= \$ 4,600
Total Fees	= \$ 5,600
Less payments	= \$ 3,850
Balance Due NASD Dispute Resolution	= \$ 1,750

Respondent, John J. Coutris, shall be and hereby is liable for:

Forum Fees	= \$ 1,575
Total Fees	= \$ 1,575
Less payments	= \$ 0
Balance Due NASD Dispute Resolution	= \$ 1,575

All balances are due to NASD Dispute Resolution

ARBITRATION PANEL

William M. Regan - Industry Arbitrator, Presiding Chair
Charles T. Dix - Industry Arbitrator
John S. Davis - Industry Arbitrator

Concurring Arbitrators:

William M. Regan
Industry Arbitrator, Presiding Chair

Signature Date

Charles T. Dix
Industry Arbitrator

Signature Date

John S. Davis
Industry Arbitrator

Signature Date

Fee Summary

Claimant, First Union Securities, Inc., shall be and hereby is liable for:

Initial Filing Fee	= \$ 1,000
Member Fees	= \$ 4,600
Total Fees	= \$ 5,600
<u>Less payments</u>	<u>= \$ 3,850</u>
Balance Due NASD Dispute Resolution	= \$ 1,750

Respondent, John J. Counis, shall be and hereby is liable for:

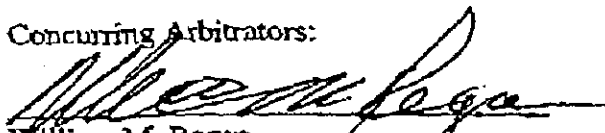
<u>Forum Fees</u>	<u>= \$ 1,575</u>
Total Fees	= \$ 1,575
<u>Less payments</u>	<u>= \$ 0</u>
Balance Due NASD Dispute Resolution	= \$ 1,575

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Concurring Arbitrators:


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11/7/02
Signature Date

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Industry Arbitrator

Signature Date

John S. Davis
Industry Arbitrator

Signature Date

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Claimant, First Union Securities, Inc., shall be and hereby is liable for:

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Member Fees	= \$ 4,600
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Respondent, John J. Coutris, shall be and hereby is liable for:

<u>Forum Fees</u>	<u>= \$ 1,575</u>
Total Fees	= \$ 1,575
<u>Less payments</u>	<u>= \$ 0</u>
Balance Due NASD Dispute Resolution	= \$ 1,575

All balances are due to NASD Dispute Resolution

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Concurring Arbitrators:

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Industry Arbitrator, Presiding Chair

Signature Date

Charles T. Dix
Industry Arbitrator

11-10-02
Signature Date

John S. Davis
Industry Arbitrator

Signature Date

Fee Summary

Claimant, First Union Securities, Inc., shall be and hereby is liable for:

Initial Filing Fee	= \$ 1,000
Member Fees	= \$ 4,600
Total Fees	= \$ 5,600
<u>Less payments</u>	<u>= \$ 3,850</u>
Balance Due NASD Dispute Resolution	= \$ 1,750

Respondent, John J. Coutris, shall be and hereby is liable for:

<u>Forum Fees</u>	<u>= \$ 1,575</u>
Total Fees	= \$ 1,575
<u>Less payments</u>	<u>= \$ 0</u>
Balance Due NASD Dispute Resolution	= \$ 1,575

All balances are due to NASD Dispute Resolution

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11/1/02
Signature Date