

AWARD
NASD Dispute Resolution, Inc.

In the Matter of the Arbitration Between

Richard Safford

and

01-00863
Southfield, Michigan

State Street Securities, Inc.
n/k/a Taylor Stuart Financial, Inc., and
Michael Anthony Lodispoto

REPRESENTATION OF PARTIES

Richard Safford ("Claimant") was represented Joel H. Kaufman, Esq., Farmington Hills, Michigan.

State Street Securities, Inc. n/k/a Taylor Stuart Financial, Inc. ("TSF") was represented by Lawrence S. Liebowitz, Esq., Wexler & Burkhart, P.C., Mitchel Field, New York.

Michael Anthony Lodispoto ("Lodispoto") was pro se and did not appear at the arbitration.

CASE INFORMATION

The Statement of Claim was filed on or about February 2, 2001. The Submission Agreement of Claimant Richard Safford was signed on February 2, 2001.

Claimant's Motion to Add Correspondence Services Corporation as a Respondent was filed on or about August 24, 2001. Respondent TSF's Response to Motion was filed on or about September 5, 2001.

Statement of Answer was filed by Respondent Taylor Stuart Financial, Inc., on or about April 16, 2001. The Submission Agreement of Respondent Taylor Stuart Financial, Inc., was signed on April 25, 2001 by Irving Minnaker.

Correspondence was filed by Respondent Michael Anthony Lodispoto on or about April 10, 2001.

CASE SUMMARY

Claimant asserted the following causes of action: Unsuitability; Churning; Breach of contract; Negligence; Breach of fiduciary duty; and Federal and state securities violations. The causes of action relate to the purchase of various stocks.

Unless specifically admitted in its Answer, Respondent TSF denied the allegations made in the Statement of Claim and asserted the affirmative defenses including the following: Claimant failed to mitigate his damages; Claimant authorized and directed the execution of all transactions; and Claimant's recovery is barred by the equitable principle of laches.

Respondent Lodispoto denied the allegations made in the Statement of Claim in his March 14, 2001 correspondence, and stated that the losses were all due to market forces.

RELIEF REQUESTED

Claimant requested an award in the amount of \$134,717.71 in damages, including margin debt, and interest, plus attorney fees pursuant to the Michigan Consumer Protection Act.

Respondent TSF requested that the Statement of Claim be dismissed in its entirety with all costs of this proceeding to be charged against Claimant, and such other and further relief as the Panel deems just and proper.

OTHER ISSUES CONSIDERED & DECIDED

Upon review of the file and the representations made by/on behalf of the Claimant, the undersigned arbitrators have determined that Michael Anthony Lodispoto has been properly served with the Statement of Claim pursuant to Rule 10302 and Rule 10314 of the NASD Code of Arbitration Procedure (the "Code"). The undersigned arbitrators have also determined that Respondent Michael Anthony Lodispoto 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 Michael Anthony Lodispoto did not file with the NASD Dispute Resolution, Inc. a properly executed submission to arbitration but is required to submit to arbitration pursuant to Rule 10301 of the NASD Code of Arbitration Procedure (the "Code") and having answered the claim, is bound by the determination of the arbitration panel on all issues submitted.

Claimant's Motion to Add Correspondence Services Corporation as a Respondent was denied on or about September 24, 2001.

The parties present 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 original(s) remain on file with the NASD Dispute Resolution, Inc. (the "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.) Respondents, State Street Securities, n/k/a Taylor Stuart Financial, Inc. and Michael A. Lodispoto, are jointly and severally liable for and shall pay to Claimant, Richard Safford, the sum of \$12,000.00 in compensatory damages;
- 2.) That other than Forum Fees which are specified below, the parties shall each bear their own costs and expenses incurred in this matter;

- 3.) That any relief not specifically enumerated, including punitive damages, is hereby denied with prejudice.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution, Inc. will retain 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 Taylor Stuart Financial, Inc.

Member surcharge	= \$1,500.00
Pre-hearing process fee	= \$ 600.00
Hearing process fee	= \$2,500.00

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 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 \$1,125.00	= \$1,125.00
Pre-hearing conference: August 29, 2001 1 session	
Four (4) Hearing sessions x \$1,125.00	= \$4,500.00
Hearing Dates: January 23, 2002 2 sessions	
January 24, 2002 2 sessions	
<hr/> Total Forum Fees	<hr/> = \$5,625.00

The Arbitration Panel has assessed \$2,812.50 of the forum fees to Richard Safford.

The Arbitration Panel has assessed \$2,812.50 of the forum fees jointly and severally to Taylor Stuart Financial, Inc. and Michael Anthony Lodispoto.

Fee Summary

Claimant, Richard Safford, is liable for:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$ 2,812.50
Total Fees	= \$ 3,112.50
Less payments	= \$ 1,425.00
Balance Due NASD Dispute Resolution, Inc.	= \$ 1,687.50

Respondent, Taylor Stuart Financial, is liable for:

Member Fees	= \$ 4,600.00
Total Fees	= \$ 4,600.00
Less payments	= \$ 4,600.00
Balance Due NASD Dispute Resolution, Inc.	= \$ 0.00

Respondents, Taylor Stuart Financial and Michael Anthony Lodispoto, are jointly and severally liable for:

Forum Fees	= \$ 2,812.50
Total Fees	= \$ 2,812.50
Less payments	= \$ 0.00
Balance Due NASD Dispute Resolution, Inc.	= \$ 2,812.50

All balances are due to NASD Dispute Resolution, Inc.

ARBITRATION PANEL

Walter H. Clements, Esq. - Public Arbitrator, Presiding Chair
Leonard R. Present - Public Arbitrator
Gregory M. Gendron - Non-Public Arbitrator

Concurring Arbitrators:

/s/ Walter H. Clements, Esq.
Walter H. Clements, Esq.
Public Arbitrator, Presiding Chair

01/29/02
Signature Date

/s/ Leonard R. Present
Leonard R. Present
Public Arbitrator

01/30/02
Signature Date

/s/ Gregory M. Gendron
Gregory M. Gendron
Non-Public Arbitrator

01/29/02
Signature Date

01/31/02
Date of Service (For NASD office use only)

01/29/02 TUE 10:43 FAX

NASD REGULATION

2000

NASD Dispute Resolution, Inc.
Arbitration No. 01-00863
Award Page 4 of 4

Fee Summary

Claimant, Richard Safford, is liable for:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$ 2,812.50
Total Fees	= \$ 3,112.50
Less payments	= \$ 1,425.00
Balance Due NASD Dispute Resolution, Inc.	= \$ 1,687.50

Respondent, Taylor Stuart Financial, is liable for:

Member Fees	= \$ 4,600.00
Total Fees	= \$ 4,600.00
Less payments	= \$ 4,600.00
Balance Due NASD Dispute Resolution, Inc.	= \$ 0.00

Respondents, Taylor Stuart Financial and Michael Anthony Lodispoto, are jointly and severally liable for:


Forum Fees	= \$ 2,812.50
Total Fees	= \$ 2,812.50
Less payments	= \$ 0.00
Balance Due NASD Dispute Resolution, Inc.	= \$ 2,812.50

All balances are due to NASD Dispute Resolution, Inc.

ARBITRATION PANEL

Walter H. Clements, Esq. - Public Arbitrator, Presiding Chair
Leonard R. Present - Public Arbitrator
Gregory M. Gendron - Non-Public Arbitrator

Concurring Arbitrators:


Walter H. Clements, Esq.
Public Arbitrator, Presiding Chair

1-29-02
Signature Date

Leonard R. Present
Public Arbitrator

Signature Date

Gregory M. Gendron
Non-Public Arbitrator

Signature Date

Date of Service (For NASD office use only)

NASD Dispute Resolution, Inc.
Arbitration No. 01-00883
Award Page 4 of 4

Fee Summary

Claimant, Richard Safford, is liable for:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$ 2,812.50
Total Fees	= \$ 3,112.50
Less payments	= \$ 1,425.00
Balance Due NASD Dispute Resolution, Inc.	= \$ 1,687.50

Respondent, Taylor Stuart Financial, is liable for:

Member Fees	= \$ 4,600.00
Total Fees	= \$ 4,600.00
Less payments	= \$ 4,600.00
Balance Due NASD Dispute Resolution, Inc.	= \$ 0.00

Respondents, Taylor Stuart Financial and Michael Anthony Lodispoto, are jointly and severally liable for:

Forum Fees	= \$ 2,812.50
Total Fees	= \$ 2,812.50
Less payments	= \$ 0.00
Balance Due NASD Dispute Resolution, Inc.	= \$ 2,812.50

All balances are due to NASD Dispute Resolution, Inc.

ARBITRATION PANEL

Walter H. Clements, Esq. - Public Arbitrator, Presiding Chair
Leonard R. Present - Public Arbitrator
Gregory M. Gendron - Non-Public Arbitrator

Concurring Arbitrators:

Walter H. Clements, Esq.
Public Arbitrator, Presiding Chair

Signature Date

Leonard R. Present

Leonard R. Present
Public Arbitrator

1/30/02
Signature Date

Gregory M. Gendron
Non-Public Arbitrator

Signature Date

Date of Service (For NASD office use only)

NASD Dispute Resolution, Inc.
Arbitration No. 01-00663
Award Page 4 of 4

Fee Summary

Claimant, Richard Safford, is liable for:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$ 2,812.50
Total Fees	= \$ 3,112.50
Less payments	= \$ 1,425.00
Balance Due NASD Dispute Resolution, Inc.	= \$ 1,687.50

Respondent, Taylor Stuart Financial, is liable for:

Member Fees	= \$ 4,600.00
Total Fees	= \$ 4,600.00
Less payments	= \$ 4,600.00
Balance Due NASD Dispute Resolution, Inc.	= \$ 0.00

Respondents, Taylor Stuart Financial and Michael Anthony Lodispoto, are jointly and severally liable for:

Forum Fees	= \$ 2,812.50
Total Fees	= \$ 2,812.50
Less payments	= \$ 0.00
Balance Due NASD Dispute Resolution, Inc.	= \$ 2,812.50

All balances are due to NASD Dispute Resolution, Inc.

ARBITRATION PANEL

Walter H. Clements, Esq. - Public Arbitrator, Presiding Chair
Leonard R. Present - Public Arbitrator
Gregory M. Gendron - Non-Public Arbitrator

Concurring Arbitrators:

Walter H. Clements, Esq.
Public Arbitrator, Presiding Chair

Signature Date

Leonard R. Present
Public Arbitrator

Signature Date



Gregory M. Gendron
Non-Public Arbitrator

1/29/02

Signature Date

Date of Service (For NASD office use only)