

**Award
NASD Dispute Resolution**

In the Matter of the Arbitration Between:

Name of the Claimant
Nick J. Batis

Case Number: 01-00967

Names of the Respondents
Ferris, Baker Watts, Inc. and
Kevin C. Krul

Hearing Site: Pittsburgh, PA

REPRESENTATION OF PARTIES

Claimant, Nick J. Batis, hereinafter referred to as "Claimant", was represented by Arnold Y. Steinberg, Esq., Arnold Y. Steinberg, P.C., Pittsburgh, Pennsylvania.

Respondents, Ferris, Baker Watts, Inc. ("Ferris, Baker") and Kevin C. Krul ("Krul"), hereinafter collectively referred to as "Respondents", were represented by Stanley Yorsz, Esq., Buchanan Ingersol, P.C., Pittsburgh, Pennsylvania.

CASE INFORMATION

Statement of Claim filed on February 2, 2001.

Claimant signed the Uniform Submission Agreement on February 13, 2001.

Statement of Answer filed by Respondents on July 23, 2001.

Respondents signed Uniform Submission Agreements on June 11, 2001.

CASE SUMMARY

Claimant asserted the following causes of action: violations of Section 10(b) of the Securities Exchange Act of 1934; fraud; misrepresentations; omission of material facts; negligence; breach of fiduciary duty; and, negligent supervision. The causes of action relate to the sale and purchase of various unspecified securities.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted the following defenses, among others: failure to state a claim upon which relief may be granted; Claimant's claims are barred by the doctrines of estoppel, waiver, laches, and statute of limitations; authorization; ratification; failure to mitigate damages; and assumption of the risk.

RELIEF REQUESTED

Claimant requested:

Compensatory Damages	\$ 450,000.00
Punitive Damages	unspecified amount
Attorneys' Fees	unspecified amount

Respondents requested that Claimant's claims be dismissed in their entirety; that all filing fees be awarded against Claimant; and, that Respondents be awarded costs and attorneys' fees.

AWARD

After considering the pleadings, the testimony and evidence presented at the hearing, and the post-hearing submissions, the Arbitration Panel (the "Panel") has decided in full and final resolution of the issues submitted for determination as follows:

1. Ferris, Baker is liable to and shall pay to Claimant the sum of \$245,929.00 in compensatory damages;
2. Krul is liable to and shall pay to Claimant the sum of \$20,425.00 in compensatory damages.
3. Ferris, Baker is liable to and shall pay to Claimant the sum of \$300.00 as reimbursement for the claim filing fee;
4. Ferris, Baker is liable to and shall pay to Claimant \$8,410.00 for the expert witness fees of Douglas H. Powell;
5. Any and all relief not specifically addressed herein, including punitive damages, is denied in its entirety.

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	= \$ 300.00
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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. Accordingly, Ferris, Baker is a party.

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

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

January 7-9, 2002 adjournment requested by Claimant	= \$ 1,125.00
May 21-23, 2003 adjournment requested by Claimant	= \$ 1,500.00
April 22-24, 2003 adjournment requested by Respondent Krul	= \$ 1,125.00

Forum Fees and Assessments

The Panel has assessed forum fees for each session conducted. A 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 @ \$ 1,125.00	= \$ 1,125.00
Pre-hearing conference: October 23, 2001 1 session	
Six (6) Hearing sessions @ \$ 1,125.00	= \$ 6,750.00
Hearing Dates: March 18, 2002 1 session	
August 19, 2003 2 sessions	
August 20, 2003 2 sessions	
August 21, 2003 1 session	

Total Forum Fees	= \$ 7,875.00
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The Panel has assessed \$7,875.00 of the forum fees to Ferris, Baker.

Fee Summary

1. Claimant is assessed and shall pay:

Initial Filing Fee	= \$ 300.00
<u>Adjournment Fee</u>	= \$ 2,625.00
Total Fees	= \$ 2,925.00
<u>Less payments</u>	= \$ 1,425.00
Balance Due NASD Dispute Resolution	= \$ 1,500.00

2. Ferris, Baker is assessed and shall pay:

Member Fees	= \$ 4,600.00
Forum Fees	= \$ 7,875.00
Total Fees	= \$ 12,475.00
Less payments	= \$ 4,600.00
Balance Due NASD Dispute Resolution	= \$ 7,875.00

3. Krul is assessed and shall pay:

Adjournment Fee	= \$ 1,125.00
Total Fees	= \$ 1,125.00
Less payments	= \$ 1,125.00
Balance Due NASD Dispute Resolution	= \$ 0.00

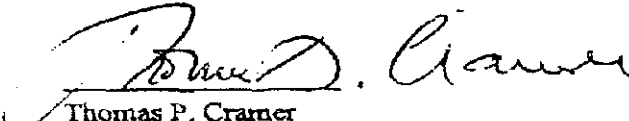
All balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

Thomas P. Cramer	- Public Arbitrator, Presiding Chairperson
Merwyn R. Markel	- Public Arbitrator, Panelist
John R. Wheeling	- Non-Public Arbitrator, Panelist

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Concurring Arbitrators' Signatures


Thomas P. Cramer
Public Arbitrator, Presiding Chairperson

Nov 19, 2003
Signature Date

Merwyn R. Markel
Public Arbitrator, Panelist

Signature Date

John R. Wheeling
Non-Public Arbitrator, Panelist

Signature Date

November 20, 2002
Date of Service (For NASD Dispute Resolution office use only)

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