

**STIPULATED AWARD
NASD Dispute Resolution**

In the Matter of the Arbitration Between:

Name of the Claimant
SIGURD E. ANDERSON

Case Number: 01-01232

and

Name of the Respondents
FIRST UNION SECURITIES, INC.
and FIRST ALBANY CORPORATION

Hearing Site: Kansas City, Missouri

and

Name of Third-Party Respondent
Jeffrey Cornell

REPRESENTATION OF PARTIES

Claimant Sigurd E. Anderson ("**Claimant**") was represented by Thomas H. Walton, Esq. of the firm Nyemaster, Goode, Voigts, West, Hansell & O'Brien located in Des Moines, Iowa.

First Union Securities, Inc. ("**Respondent First Union**") was represented by William Nelson, Esq. of the firm Rothberger Johnson & Lyons located in Denver, Colorado.

First Albany Corporation ("**Respondent First Albany**") was represented by Brian F. Mumford, Esq. of the firm Harvey and Mumford located in Albany New York.

Jeffrey Cornell ("**Third Party Respondent**") was represented by Bruce Lewitas, Esq. of the firm Lewitas & Associates, P.C. located in Chicago, Illinois.

CASE INFORMATION

The Statement of Claim was filed on or about March 12, 2001. Submission Agreement of Claimant Sigurd E. Anderson was signed on February 28, 2001.

Statement of Answer was filed by Respondent First Union on or about May 7, 2001. Submission Agreement of Respondent First Union was signed on March 26, 2001.

Statement of Answer and Third-Party Claim was filed by Respondent First Albany on or about June 20, 2001. Submission Agreement of Respondent First Albany was signed on June 20, 2001.

On July 25, 2001, Respondent First Albany withdrew its third-party claim against Third-Party Respondent Cornell.

CASE SUMMARY

Claimant alleged that the transfer of his IRA from Respondent First Union to Respondent First Albany was unnecessarily delayed thereby preventing him from liquidating certain positions which, in turn, caused losses.

Respondents denied the allegations set forth in the Statement of Claim. Respondents specifically stated Claimant was an inexperienced investor who could have liquidated his securities at any time during the transfer process. Respondent First Albany further alleged that Third Party Respondent was negligent in not informing Claimant that the securities could be sold during the transfer process.

RELIEF REQUESTED

Claimant requested an award in the amount of \$1,170,786.30.

Respondents requested that the claims asserted against them be denied in its entirety. Respondent First Albany further sought contribution and/or indemnification from Third-Party Respondent Cornell.

OTHER ISSUES CONSIDERED & DECIDED

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 original(s) remain on file with the NASD Dispute Resolution (the "NASD").

AWARD

Pursuant to the Stipulation of the parties, the undersigned arbitrators have decided in full and final resolution of the issues submitted for determination as follows:

1. The Panel recommends the expungement of all reference to the above captioned arbitration from Third-Party Respondent Cornell's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notices to M Members 99-09 and 99-54, Third-Party Respondent Cornell must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.
2. That to the extent not specifically awarded or otherwise provided for above, all other claims and requests for relief by any party hereto are denied with prejudice.

3. Other than the Forum Fees noted below, the parties shall each bear all other costs and expenses incurred by them in connection with this proceeding, including but not limited to attorneys fees.

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	= \$500.00
Third Party Claim filing fee	= \$500.00

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 firms are First Union Securities, Inc. and First Albany Corporation.

Member surcharge	= \$2,500.00
Pre-hearing process fee	= \$ 600.00
Hearing process fee	= \$4,500.00

Adjournment Fees

Adjournments requested during these proceedings:

Hearing Date(s), May 22-24, 2002 adjournment request by First Albany Corporation = \$1,200.00

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(s) with Panel x \$1,200.00	= \$1,200.00
Pre-hearing conference(s): December 20, 2001 1 session	
Total Forum Fees	= \$1,200.00

The Arbitration Panel has assessed \$600.00 of the forum fees to Sigurd E. Anderson, II.
The Arbitration Panel has assessed \$300.00 of the forum fees to First Union Securities, Inc.
The Arbitration Panel has assessed \$300.00 of the forum fees to First Albany Corporation.

Fee Summary

Claimant, Sigurd E. Anderson, II, shall be and hereby is liable for:

Initial Filing Fee	= \$ 500.00
<u>Forum Fees</u>	= \$ 600.00
Total Fees	= \$1,100.00
<u>Less payments</u>	= \$1,700.00
Balance previously refunded by NASD Dispute Resolution	= \$ 600.00

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

Member Fees	= \$7,600.00
<u>Forum Fees</u>	= \$ 300.00
Total Fees	= \$7,900.00
<u>Less payments</u>	= \$7,900.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondent, First Albany Corporation, shall be and hereby is liable for:

Third Party Claim Filing Fee	= \$ 500.00
Member Fees	= \$7,600.00
Adjournment Fee	= \$1,200.00
<u>Forum Fees</u>	= \$ 300.00
Total Fees	= \$9,600.00
<u>Less payments</u>	= \$9,600.00
Balance Due NASD Dispute Resolution	= \$ 0.00

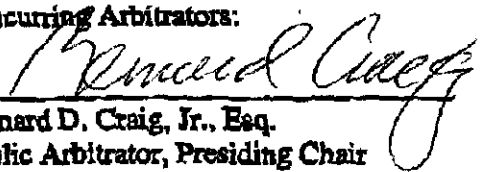
All balances are due to NASD Dispute Resolution

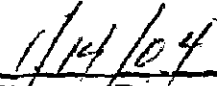
ARBITRATION PANEL

Bernard D. Craig, Jr., Esq. - Public Arbitrator, Presiding Chair
Bruce Keplinger, Esq. - Public Arbitrator
Melford V. McCormick, Esq. - Non-Public Arbitrator

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Arbitration No. 01-01232
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Concurring Arbitrators:


Bernard D. Craig, Jr., Esq.
Public Arbitrator, Presiding Chair


Signature Date

Bruce Keplinger, Esq.
Public Arbitrator

Signature Date

Melford V. McCormick, Esq.
Non-Public Arbitrator

Signature Date

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Bernard D. Craig, Jr., Esq.
Public Arbitrator, Presiding Chair


Bruce Keplinger, Esq.
Public Arbitrator

Signature Date

1/5/04
Signature Date

Melford V. McCormick, Esq.
Non-Public Arbitrator

Signature Date

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NASD Dispute Resolution

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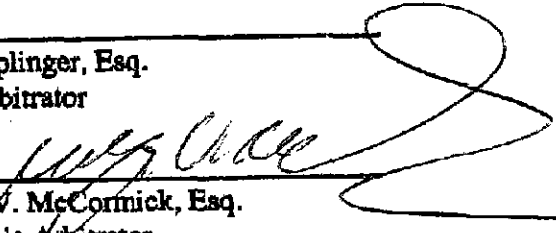
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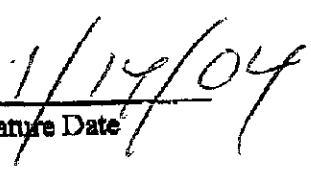
Signature Date

Bruce Keplinger, Esq.
Public Arbitrator

Signature Date



Melford W. McCormick, Esq.
Non-Public Arbitrator



Signature Date