

AWARD
NASD Dispute Resolution, Inc.

In the Matter of the Arbitration Between

Name of Claimant

Mark W. McClellen

and

01-01383
Minneapolis, Minnesota

Name of Respondents

Preston Langley Asset Management, Inc.
Christian W. Blake

REPRESENTATION OF PARTIES

Mark W. McClellen ("**Claimant**") appeared *pro se*.

Preston Langley Asset Management, Inc. ("**Respondent Preston Langley**") did not participate in this matter.

Christian W. Blake ("**Respondent Blake**") did not participate in the hearing. Prior to the hearing of this matter, Mr. Blake was represented by M. David Sayid, Esq., Saqyid and Associates LLP, New York, New York.

CASE INFORMATION

The Statement of Claim was filed on or about March 20, 2001. Motion to Preclude Answer of Respondents was filed on or about May 3, 2001. Amendment to Statement of Claim was filed on or about June 1, 2001. Claimant's Rebuttal of Answer of Respondent Christian Blake was filed on or about June 12, 2001. Amendment to Statement of Claim was filed on or about June 29, 2001. Submission Agreement of Claimant Mark W. McClellen was signed on March 15, 2001.

Statement of Answer was filed by Respondent Christian W. Blake on or about May 22, 2001. Reply to Claimant's Rebuttal was filed on or about June 20, 2001.

CASE SUMMARY

Claimant alleged that Respondent Blake executed an unauthorized purchase of 1200 shares of ESAFTETYWORLD, Inc. on December 20, 2000. Claimant further alleged that Respondents failed to honor a settlement agreement concerning the disputed trade.

Respondent Blake denied the allegations set forth in the Statement of Claim. Respondent Blake specifically stated that Claimant specifically authorized the purchase of ESAFTETYWORLD, Inc.

RELIEF REQUESTED

Claimant requested an award of compensatory damages in the amount of \$5,374.56, punitive damages in the amount of \$10,000.00, interest, costs, and filing fees. At the hearing, Claimant requested an award of compensatory damages in the amount of \$1,574.56, punitive damages, filing fees and costs.

Respondent Blake requested that the claims asserted against him be denied in their entirety and that he be awarded his costs, fees, expenses and reasonable attorneys' fees in an amount not less than \$15,000.00. In addition, Respondent Blake requested that the Panel of Arbitrators grant him such other and further relief as justice and equity requires.

OTHER ISSUES CONSIDERED & DECIDED

Upon review of the file and the representations made by/on behalf of the Claimant, the undersigned arbitrator has determined that Respondent Preston Langley Asset Management, Inc. has not 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 Preston Langley Asset Management, Inc. had not received due notice of the hearing as required under Rule 10315 of the Code and that arbitration of the matter would proceed against the remaining Respondent only pursuant to Rule 10318 of the Code.

Upon review of the file and the representations made by/on behalf of the Claimant, the undersigned arbitrator has determined that Respondent Christian W. Blake 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 Christian W. Blake 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 Code and having answered the claim is bound by the determination of the arbitrator on all issues submitted.

AWARD

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

1. Respondent Christian Blake shall be and hereby is liable for and shall pay to Claimant Mark W. McClellen the sum of \$2,200.91 as compensatory damages.
2. Respondent Christian Blake shall be and hereby is liable for and shall pay to Claimant Mark W. McClellen the sum of \$2,200.91 as punitive damages.
3. The undersigned arbitrator is making no determination of liability against Respondent Preston Langley Asset Management, Inc. in light of the service and notice issues set forth above.
4. 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.
5. 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, Inc. will retain or collect the non-refundable filing fees for each claim:

Initial claim filing fee = \$125.00

Forum Fees and Assessments

The Arbitrator 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:

Two (2) Hearing sessions with a single arbitrator x \$450.00	= \$900.00
Pre-hearing conference(s): July 24, 2001 1 session	
Hearing Date(s): <u>November 2, 2001</u> 1 session	
Total Forum Fees	= \$900.00

The Arbitrator has assessed \$300.00 of the forum fees to Mark W. McClellen.

The Arbitrator has assessed \$600.00 of the forum to Christian W. Blake.

Fee Summary

Claimant, Mark W. McClellen, shall be and hereby is liable for:

Initial Filing Fee	= \$ 125.00
<u>Forum Fees</u>	= \$ 300.00
Total Fees	= \$ 425.00
<u>Less payments</u>	= \$ 425.00
Balance Due NASD Dispute Resolution, Inc.	= \$ 0.00

Respondent, Christian W. Blake, shall be and hereby is liable for:

<u>Forum Fees</u>	= \$ 600.00
Balance Due NASD Dispute Resolution, Inc.	= \$ 600.00

All balances are due to NASD Dispute Resolution, Inc.

ARBITRATION PANEL

Andrew R. Dick – Public Arbitrator, Presiding Chair

/s/ Andrew R. Dick
Andrew R. Dick
Public Arbitrator, Presiding Chair

November 9, 2001
Signature Date

NASD Dispute Resolution, Inc.
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Fee Summary

Claimant, Mark W. McClellan, shall be and hereby is liable for:

Initial Filing Fee	= \$ 125.00
<u>Forum Fees</u>	= \$ 300.00
Total Fees	= \$ 425.00
<u>Less payments</u>	= \$ 425.00
Balance Due NASD Dispute Resolution, Inc.	= \$ 0.00

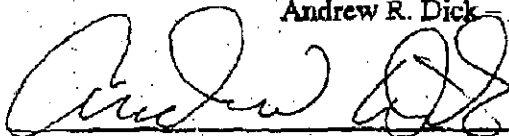
Respondent, Christian W. Blake, shall be and hereby is liable for:

<u>Forum Fees</u>	= \$ 600.00
Balance Due NASD Dispute Resolution, Inc.	= \$ 600.00

All balances are due to NASD Dispute Resolution, Inc.

ARBITRATION PANEL

Andrew R. Dick - Public Arbitrator, Presiding Chair



Andrew R. Dick
Public Arbitrator, Presiding Chair

11.9.01
Signature Date