

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimant
Mildred S. Mann

Case Number: 01-01405

Names of the Respondents
Lance E. Slater
First Union Securities, Inc.

Hearing Site: Philadelphia, PA

Nature of the Dispute: Customer vs. Member and Associated Person.

REPRESENTATION OF PARTIES

Claimant, Mildred S. Mann, hereinafter referred to as "Claimant", was represented by Stephen H. Berkowitz, Esq., Moore & Berkowitz Law Office, Southampton, Pennsylvania.

Respondents, Lance E. Slater ("Slater") and First Union Securities, Inc. ("FUSI"), hereinafter collectively referred to as "Respondents", were represented by Brian A. Carlis, Esq., Stark & Stark, P.C., Lawrenceville, New Jersey.

CASE INFORMATION

Statement of Claim filed on March 20, 2001.

Claimant signed the Uniform Submission Agreement on January 31, 2001.

Statement of Answer filed by Respondents on July 2, 2001.

Respondent Slater signed the Uniform Submission Agreement on May 16, 2001.

A representative of Respondent FUSI executed the Uniform Submission Agreement on April 16, 2001.

CASE SUMMARY

Claimant asserted the following causes of action, among others: fraud, violation of NASD Rule 2310; violation of the suitability rule as it applies to municipal bonds, breach of contract and implied covenant of fair dealing, breach of fiduciary duty, violation of Pennsylvania Unfair Trade Practices and Consumer Protection Act, fraudulent inducement, and failure to supervise. The causes of action relate to the purchase of bonds, including Pennsylvania Intergovernmental Cooperation 5.00% of 6/15/21 and Beaver County Pa. Industrial Revenue 5.375% of 6/1/28; and the purchase of Class B shares of Alliance North America Fund.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted the following defenses, among others: the Statement of Claim fails to state a claim upon which relief may be granted; Claimant directed, approved, and authorized every transaction in her account; ratification; failure to mitigate damages; statutes of

limitations; assumption of the risk; and Claimant's claims are barred by the doctrine of laches.

RELIEF REQUESTED

Claimant in her Statement of Claim requested:

Compensatory Damages	\$65,000.00
Punitive Damages	amount unspecified
Attorneys' Fees	amount unspecified
Other Costs	amount unspecified.

OTHER ISSUES CONSIDERED AND DECIDED

By letter dated October 31, 2005 Claimant withdrew all claims against Respondents and requested dismissal of this case.

On October 31, 2005 Respondent Slater requested that all reference to this case be expunged from his file maintained by the NASD Central Registration Depository ("CRD"). By Order dated December 20, 2005 the Arbitration Panel (the "Panel") recommended the expungement of said record.

AWARD

Pursuant to the above, the Panel has decided in full and final resolution of the matters submitted as follows:

1. All claims against Respondents are dismissed with prejudice in their entirety;
2. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Slater's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notices to Members 99-09 and 99-54, Respondent Slater must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.
3. All claims for punitive damages and attorneys' fees are denied in their entirety;
4. The parties shall bear their respective costs, except as Fees are specifically addressed below; and
5. Any and all relief not specifically addressed herein 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 = \$ 225.00

Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firms that employed the associated person(s) at the time of the events giving rise to the dispute. Accordingly, FUSI is a party.

Member surcharge	= \$1,000.00
Pre-hearing process fee	= \$ 600.00
Hearing process fee	= \$1,500.00
Total Member Fees	= \$3,100.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

May 21-23, 2002 adjournment requested by Claimant	= \$ 750.00
October 9-10, 2002 adjournment requested by Claimant	= \$1,000.00

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:

Three (3) Pre-hearing sessions with Panel @ \$750.00	= \$2,250.00
Pre-hearing conferences:	
November 20, 2001 1 session	
January 6, 2004 1 session	
April 18, 2005 1 session	
Total Forum Fees	= \$2,250.00

1. The Panel has assessed \$750.00 of the forum fees to Claimant.
2. Panel has assessed \$750.00 of the forum fees to Respondent Slater.
3. The Panel has assessed \$750.00 of the forum fees to Respondent FUSI.

Three-Day Cancellation Fees

Fees apply when a hearing on the merits is postponed or settled within three business days before the start of a scheduled hearing session:

November 2-3, 2005 settled by all parties	= \$ 300.00
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1. The Panel has assessed \$100.00 of the three-day cancellation fees to Claimant.
2. The Panel has assessed \$100.00 of the three-day cancellation fees to Respondent Slater.
3. The Panel has assessed \$100.00 of the three-day cancellation fees to Respondent FUSI.

SEE SUMMARY

1. Claimant is assessed and shall pay the following fees:

Initial Filing Fee	= \$ 225.00
Adjournment Fee	= \$1,750.00
Forum Fees	= \$ 750.00
Three-Day Cancellation Fee	= \$ 100.00
Total Fees	= \$2,825.00
Less payments	= \$ 975.00
Balance Due NASD Dispute Resolution	= \$1,850.00

2. Respondent Slater is assessed and shall pay the following fees:

Three-Day Cancellation Fee	= \$ 100.00
Forum Fees	= \$ 750.00
Total Fees	= \$ 850.00
Less payments	= \$ 00.00
Balance Due NASD Dispute Resolution	= \$ 850.00

4. Respondent FUSI is assessed and shall pay the following fees:

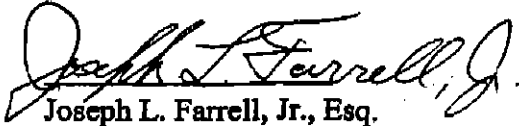
Member Fees	= \$3,100.00
Three-Day Cancellation Fee	= \$ 100.00
Forum Fees	= \$ 750.00
Total Fees	= \$3,950.00
Less payments	= \$3,100.00
Balance Due NASD Dispute Resolution	= \$ 850.00

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

ARBITRATION PANEL

Joseph L. Farrell, Jr., Esq.	-	Public Arbitrator, Presiding Chairperson
Harold P. Starr, Esq.	-	Public Arbitrator, Panelist
John P. Azzopardi, CFP	-	Non-Public Arbitrator, Panelist

Concurring Arbitrators' Signatures


Joseph L. Farrell, Jr., Esq.
Public Arbitrator, Presiding Chairperson

1/6/06
Signature Date

Harold P. Starr, Esq.
Public Arbitrator, Panelist

Signature Date

John P. Azzopardi, CFP
Non-Public Arbitrator, Panelist

Signature Date

1/10/06
Date of Service (For NASD Dispute Resolution office use only)

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Concurring Arbitrator's Signature

Joseph L. Farrell, Jr., Esq.
Public Arbitrator, Presiding Casperson

Signature Date

Harold P. Starr
Harold P. Starr, Esq.
Public Arbitrator, Panelist

1/4/08
Signature Date

John P. Azzopardi CFP
Non-Public Arbitrator, Panelist

Signature Date

Date of Service (I or NASD Dispute Resolution office use only)

Concurring Arbitrators' Signatures

Joseph L. Farrell, Jr., Esq.
Public Arbitrator, Presiding Chairperson

Harold P. Starr, Esq.
Public Arbitrator, Panelist

Signature Date


John P. Azzopardi, Esq.
Non-Public Arbitrator, Panelist


Signature Date

Date of Service (For NASD Dispute Resolution office use only)