

AWARD
NASD Dispute Resolution, Inc.

In the Matter of the Arbitration Between
Name of Claimants

Robert C. Zuilhof and Dawn D. Zuilhoff

and

01-01435
Dallas, Texas

Name of Respondents

Jeffrey C. Bruteyn Ameri-First Securities Corp.,
First Southwest Company

REPRESENTATION OF PARTIES

Robert C. Zuilhof and Dawn D. Zuilhof ("**Claimants**") were represented Tom Farrier, Esq. of Murphy, Mahon, Keffler & Farrier, L.L.P. located in Fort Worth, Texas.

Jeffrey C. Bruteyn ("**Respondent Bruteyn**") represented himself.

Ameri-First Securities Corp. ("**Respondent Ameri-First**") was represented by Jeffrey C. Bruteyn

First Southwest Company ("**Respondent First Southwest**") was represented by Cheryl Jerome Moore, Esq. of Baker & McKenzie, located in Dallas, Texas.

CASE INFORMATION

The Statement of Claim was filed on or about March 21, 2001. Submission Agreement of Claimants Robert C. Zuilhof and Dawn D. Zuilhof was signed on March 23, 2001.

The NASD has no record of a Statement of Answer or Uniform Submission Agreement filed by Respondents Jeffrey C. Bruteyn or Ameri-First Securities Corp.

Statement of Answer was filed by Respondent First Southwest Company on or about May 15, 2001. Submission Agreement of Respondent First Southwest Company was signed on May 3, 2001.

CASE SUMMARY

Claimants alleged that Respondents mishandled their account. They alleged causes of action including the following: negligence, failure to supervise, breach of fiduciary duty, churning, omission of facts, suitability, misrepresentation and unauthorized trading,

Respondent First Southwest Company denied the allegations set forth in the Statement of Claim. Respondents specifically stated that they were improperly named in the arbitration.

RELIEF REQUESTED

Claimant requested an award in the amount of \$280,000.00 in compensatory damages, \$840,000.00 in punitive damages, attorney's fees, costs and other monetary relief as shall be deemed due by the panel of arbitrators.

Respondent First Southwest Company requested that the claims asserted against them be denied in their entirety and that they be awarded their costs and attorney's fees.

OTHER ISSUES CONSIDERED & DECIDED

On or about August 3, 2001 Claimants withdrew all claims against First Southwest Company. Therefore, the Panel makes no ruling as to First Southwest Company in this award.

Upon review of the file and the representations made by/on behalf of the Claimant, the undersigned arbitrators have determined that Respondents Jeffrey C. Bruteyn and Ameri-First Securities Corp. have 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 Respondents Jeffrey C. Bruteyn and Ameri-First Securities Corp. have 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.

Respondents Jeffrey C. Bruteyn and Ameri-First Securities Corp. did not file with the NASD Dispute Resolution, Inc. a properly executed submission to arbitration but are required to submit to arbitration pursuant to Rule 10301 of the NASD Code of Arbitration Procedure (the "Code") and are bound by the determination of the arbitration panel on all issues submitted.

On January 29, 2002 one of the three panel members was unable to attend the scheduled hearing. Therefore, pursuant to Rule 10313 of the Code, as there was no objection, the two remaining arbitrators continued with the hearing and the determination of the controversy.

The parties present at the hearing 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. That Respondents Jeffrey C. Bruteyn and Ameri-First Securities Inc. are liable for and shall pay Claimants Robert Zuilhof and Dawn Zuilhof one hundred eighty seven thousand dollars (\$187,000.00) in compensatory damages and interest thereon of eight percent (8%) beginning to accrue January 1, 2000 until the award is paid in full;
2. That Respondents Jeffrey C. Bruteyn and Ameri-First Securities Inc. are liable for and shall pay Claimants Robert Zuilhof and Dawn Zuilhof one hundred thousand dollars (\$100,000.00) in punitive damages. In making this award of punitive damages, the panel heard and considered the pleadings, documents, evidence, oral argument, motions, The Texas Deceptive Trade Practices Act and The Texas Securities Act and determined that authority exists for this award of punitive damages;
3. That Respondents Jeffrey C. Bruteyn and Ameri-First Securities Inc. are liable for and shall pay Claimants Robert Zuilhof and Dawn Zuilhof seventy thousand dollars (\$70,000.00) in attorney's fees and \$1,700.00 (one thousand seven hundred dollars) in costs. In making this award of attorney's fees, the panel heard and considered the pleadings, documents, evidence, motions, The Texas Deceptive Trade Practices Act and The Texas Securities Act and determined that authority exists for this award of attorney's fees and costs;
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.

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 = \$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 Southwest Company and Ameri-First Securities Corp. (a terminated member)

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

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 \$1,200.00		= \$1,200.00
Pre-hearing conference:	September 14, 2001	1 session
One (1) Hearing session(s) with Panel x \$1,200.00		= \$1,200.00
Hearings:	January 29, 2002	1 session
Total Forum Fees		= \$2,400.00

The Arbitration Panel has assessed \$1,200.00 of the forum fees to Jeffrey C. Bruteyn and Ameri-First Securities Corp. (a terminated member) and \$1,200 to Jeffrey C. Bruteyn.

Fee Summary

Respondent, Jeffrey C. Bruteyn shall be and hereby is liable for:

<u>Forum Fees</u>	= \$1,200.00
<u>Total Fees</u>	= \$ 1,200.00
<u>Less payments</u>	= \$00.00
Balance Due NASD Dispute Resolution, Inc.	= \$1,200.00

Claimants, shall be and hereby are jointly and severally liable for:

Filing Fee	=\$500.00
<u>Forum Fees</u>	= \$00.00
<u>Total Fee</u>	= \$500
Less payments	= \$1,700.00
Refund Due Claimants	= \$1,200.00

Respondent, Ameri-First Securities, shall be and hereby is liable for:

<u>Forum Fees</u>	= \$1,200.00
<u>Total Fees</u>	= \$1,200.00
<u>Less payments</u>	= \$00 .00
Balance Due NASD Dispute Resolution, Inc.	= \$1,200.00

Respondent, First Southwest Company, shall be and hereby is liable for:

<u>Member Fees</u>	= \$3,100.00
<u>Less Payment</u>	= \$3,100.00
Balance Due NASD Dispute Resolution, Inc.	= \$00.00

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All balances are due to NASD Dispute Resolution, Inc.

ARBITRATION PANEL

Jonathan A. Pace – Public Arbitrator, Presiding Chair
Carol A. Freeland -Non-Public Arbitrator

Concurring Arbitrators:

Jonathan A. Pace
Public Arbitrator, Presiding Chair

Signature Date

Carol Freeland
Non-Public Arbitrator

Signature Date

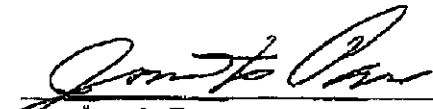
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Jonathan A. Pace – Public Arbitrator, Presiding Chair
Carol A. Freeland -Non-Public Arbitrator

Concurring Arbitrators:


Jonathan A. Pace
Public Arbitrator, Presiding Chair

3/14/02
Signature Date

Carol Freeland
Non-Public Arbitrator

Signature Date

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Arbitration No. 01-01435
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Carol A. Freeland -Non-Public Arbitrator

Concurring Arbitrators:

Jonathan A. Pace
Public Arbitrator, Presiding Chair

Signature Date

Carol Freeland
Carol Freeland
Non-Public Arbitrator

3.18.02
Signature Date