

Award
NASD Dispute Resolution, Inc.

In the Matter of the Arbitration Between:

Name of the Claimant

James D. Neuzerling

Case Number: 01-02104

Name of the Respondents

Barron Chase Securities, Inc.;
Tradeway Securities Group, Inc.;
Jeffrey S. Warren; Carlo Piraneo;
Robert A. DiCarlo, Jr.; Michael H. Weston

Hearing Site: Milwaukee, Wisconsin

REPRESENTATION OF PARTIES

Claimant James D. Neuzerling ("Neuzerling") was represented by Mark E. Sanders, Esq. of the firm of Halling & Cayo, S.C., located in Milwaukee, Wisconsin.

Respondent Barron Chase Securities, Inc. ("BCS") did not appear.

Respondent Tradeway Securities Group, Inc. ("Tradeway") was represented by Andrew H. Kayton, Esq., of the firm of Schoeppl, Burke & Kayton, P.A., located in Boca Raton, Florida.

Respondent Jeffrey S. Warren ("Warren") did not appear.

Respondent Carlo Piraneo ("Piraneo") did not appear.

Respondent Robert A. DiCarlo, Jr. ("DiCarlo") did not appear.

Respondent Michael H. Weston ("Weston") was dismissed by the Claimant prior to hearing and did not appear.

CASE INFORMATION

Statement of Claim filed: April 26, 2001.

Claimant signed the Uniform Submission Agreement: April 13, 2001.

Statement of Answer filed by Respondent Tradeway: June 20, 2001.

Respondent TSG signed the Uniform Submission Agreement: September 25, 2001.

Respondent Weston signed the Uniform Submission Agreement: June 19, 2001.

Respondent Weston did not file a Statement of Answer.

Respondents BCS, Warren, Piraneo, and DiCarlo did not file an executed submission agreement

or a Statement of Answer.

CASE SUMMARY

Claimant asserted the following causes of action: violation of Wisconsin's Uniform Securities Law; intentional misrepresentation; negligent misrepresentation; negligence; conversion; and failure to supervise. These claims were a result of transaction involving several common stocks

Unless specifically admitted in its Answer, Respondent Tradeway denied the allegations made in the Statement of Claim and asserted the following defenses:

1. Claimants is estopped from recovery because he authorized, approved, and/or ratified the actions of Respondents;
2. Claimant knew of the untrue statements of material fact or omissions of material fact he alleges;
3. Tradeway did not know and in the exercise of reasonable care could not have known of the untrue statements or omissions alleged, or of the facts upon which liability is alleged;
4. No private right of action exists for violation of DFI-Section 4.06 of the Wisconsin Administrative Code, and alleged violations of this section do not constitute violations of the Wisconsin Uniform Securities Code;
5. To the extent Claimant seeks to hold Tradeway responsible for acts taken by others while employed solely by BCS, Tradeway cannot be held liable for those acts on the basis of respondeat superior liability;
6. Claimant is contractually bound to have all rights and liabilities determined under the laws of California;
7. The Claimant's claims are barred by the applicable statutes of limitations;
8. The losses suffered by Claimant are due to market conditions and are not the fault of Tradeway or its registered representatives;
9. Claimant was aware of the risks complained of and assumed the risk of loss by investing in the securities complained of in the claim;
10. Any actions taken by Tradeway and/or its representatives were in good faith and are not actionable as a matter of law;
11. Claimant's losses, if any, were caused by the negligent, deliberate, intentional, reckless, or unlawful conduct of third parties for whom Tradeway or its representatives are not responsible;
12. Tradeway maintained an adequate and reasonable system of supervision and control over its employees and did not, at any time, induce any acts constituting a cause of action, either alone or in concert;
13. If other Respondents committed a wrongful act, it was outside the scope of their employment with Tradeway and, therefore, Tradeway is not liable under the doctrine of respondeat superior;
14. Any award entered against Tradeway should be reduced by the degree of fault found to exist by other persons or entities;

15. Claimant's equitable claims, if any, are barred by the doctrine of unclean hands;
16. Claimant's investments were suitable for him in light of his stated investment objectives, income, net worth, age, investment history and occupation;
17. The risk factors of Claimant's investment were disclosed to Claimant;
18. Tradeway and any of its employees with supervisory functions relevant to these claims discharged their duties in accordance with the then existing system of supervision which was reasonably designed to prevent and detect the violations asserted by the Claimant; and
19. Claimant fails to adequately plead transaction causation, loss causation and justifiable reliance. Therefore, Claimant fails to state a claim for violation of the Wisconsin Uniform Securities Law and for intentional and negligent misrepresentation.

RELIEF REQUESTED

Claimant requested:

Compensatory Damages	\$250,000.00
Punitive Damages	\$100,000.00
Interest	Statutory rate
Attorneys' Fees	Determined at hearing
Other Costs	Determined at hearing

Plus Other Monetary/Non-Monetary Relief if any.

Respondent Tradeway requested that the panel deny the Statement of Claim against Tradeway, and award Tradeway, pursuant to all applicable federal or state statutes, the costs and attorneys' fees incurred in defending this claim. In addition, Tradeway requested expungement of any records of this arbitration from any self-regulatory organization if it was successful in defending this action.

OTHER ISSUES CONSIDERED AND DECIDED

On May 21, 2001, Claimant voluntarily dismissed all claims against Respondent Michael H. Weston.

On April 5, 2002, Claimant notified NASD Dispute Resolution, Inc. that he resolved all claims he had against Respondent Tradeway Securities Group, Inc. On May 6, 2002, Claimant dismissed with prejudice all his claims against Respondent Tradeway Securities Group, Inc.

Upon review of the file and the representations made on behalf of the Claimant, the undersigned Panel determined that Respondents BCS, Warren, DiCarlo and Piraneo were properly served with the Statement of Claim and received due notice of the hearing, and that arbitration of the matter would proceed without said Respondents present, in accordance with the NASD Code of Arbitration Procedure (the "Code").

Respondents BCS, Warren, DiCarlo and Piraneo did not file with NASD Dispute Resolution, Inc. a properly executed submission to arbitration but are required to submit to arbitration and, pursuant to the Code, are bound by the determination of the Panel on all issues submitted.

AWARD

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

1. Respondent Robert A. DiCarlo, Jr. is liable for and shall pay to Claimant James D. Neuzerling the sum of \$6,364.00 as compensatory damages;
2. Respondent Jeffrey S. Warren is liable for and shall pay to Claimant James D. Neuzerling the sum of \$23,636.00 as compensatory damages;
3. The claims against Respondents Barron Chase Securities, Inc., and Carlo Piraneo are dismissed and denied with prejudice;
4. The parties shall bear their own costs of arbitration, including any attorneys' fees, except for those specifically enumerated herein;
5. Any and all relief not specifically addressed herein, including punitive damages, is denied.

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	= \$ 300.00
--------------------------	-------------

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 persons at the time of the events giving rise to the dispute. Accordingly, Respondent Barron Chase Securities, Inc. and Tradeway Securities Group, Inc. were parties in the arbitration and assessed the following member fees;

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: None.

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 a single arbitrator @ \$450.00 = \$ 450.00

Pre-hearing conference: March 15, 2002 1 session

One (1) Pre-hearing session with Panel @ \$1,125.00 = \$ 1,125.00

Pre-hearing conference: November 26, 2001 1 session

One (1) Hearing sessions @ \$1,125.00 = \$ 1,125.00

Hearing Date: April 8, 2002 1 session

Total Forum Fees = \$ 2,700.00

The Panel has assessed \$2,700.00 of the forum fees, jointly and severally, to Respondents Robert A. DiCarlo, Jr. and Jeffrey S. Warren.

SEE SUMMARY

Claimant James D. Neuzerling is solely liable for:

Initial Filing Fee = \$ 300.00

Less payments = \$ 1,425.00

Refund Due from NASD Dispute Resolution, Inc. = \$ 1,125.00

Respondent Barron Chase Securities, Inc. is solely liable for:

Member Fees = \$ 4,600.00

Less payments = \$ 0.00

Balance Due NASD Dispute Resolution, Inc. = \$ 4,600.00

Respondent Tradeway Securities Group, Inc. is solely liable for:

Member Fees = \$ 4,600.00

Less payments = \$ 4,600.00

Balance Due NASD Dispute Resolution, Inc. = \$ 0.00

Respondents Robert A. DiCarlo, Jr. and Jeffrey S. Warren are jointly and severally liable for:

Forum Fees = \$ 2,700.00

Less payments = \$ 0.00

Balance Due NASD Dispute Resolution, Inc.

= \$ 2,700.00

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

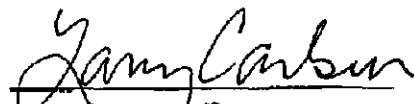
ARBITRATION PANEL

Larry Carlson, Esq. - Public Arbitrator, Presiding Chairperson

George R. Fleischli, Esq. - Public Arbitrator

Henry G. Nothnagel - Non-Public Arbitrator

Concurring Arbitrators' Signatures



Larry Carlson, Esq.
Public Arbitrator, Presiding Chairperson

12 June 2002

Signature Date

George R. Fleischli, Esq.
Public Arbitrator

Signature Date

Henry G. Nothnagel
Non-Public Arbitrator

Signature Date

6/18/02 
Date of Service (For NASD Dispute Resolution office use only)

NASD Dispute Resolution, Inc.
Arbitration No. 01-02104
Award Page 6

Balance Due NASD Dispute Resolution, Inc.

= \$ 2,700.00

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

ARBITRATION PANEL

Larry Carlson, Esq. - Public Arbitrator, Presiding Chairperson
George R. Fleischli, Esq. - Public Arbitrator
Henry G. Nothnagel - Non-Public Arbitrator

Concurring Arbitrators' Signatures

Larry Carlson, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date

George R. Fleischli
George R. Fleischli, Esq.
Public Arbitrator

June 12, 2002
Signature Date

Henry G. Nothnagel
Non-Public Arbitrator

Signature Date

6/18/02 HN
Date of Service (For NASD Dispute Resolution office use only)

NASD Dispute Resolution, Inc.
 Arbitration No. 01-02104
Award Page 6

JUN 12 02 13:14

Balance Due NASD Dispute Resolution, Inc.

= \$ 2,700.00

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

ARBITRATION PANEL

Larry Carlson, Esq. - Public Arbitrator, Presiding Chairperson
 George R. Fleischli, Esq. - Public Arbitrator
 Henry G. Nothnagel - Non-Public Arbitrator

Concurring Arbitrators' Signatures

 Larry Carlson, Esq.
 Public Arbitrator, Presiding Chairperson

 Signature Date

 George R. Fleischli, Esq.
 Public Arbitrator

 Signature Date

Henry G. Nothnagel
 Henry G. Nothnagel
 Non-Public Arbitrator

6/13/02
 Signature Date

6/18/02 MAN
 Date of Service (For NASD Dispute Resolution office use only)