

Award
NASD Dispute Resolution, Inc.

In the Matter of the Arbitration Between

Name of Claimant

David M. Gilson

Case No. 01-02107

Name of Respondent

Josephthal & Co., Inc.

Hearing Site: Washington, D.C.

REPRESENTATION OF PARTIES

Claimant, David M. Gilson ("Gilson"), hereinafter referred to as "Claimant": Thomas A. Guidoboni, Esq., Crowell & Moring LLP, Washington, D.C.

Respondent, Josephthal & Co., Inc. ("Josephthal"), hereinafter referred to as "Respondent": John Bersin, Esq., Josephthal & Co., Inc., New York, NY.

CASE INFORMATION

Statement of Claim filed on: April 25, 2001

Claimant signed the Uniform Submission Agreement: May 8, 2001

Statement of Answer filed by Respondent on: July 6, 2001

A representative of Respondent signed the Uniform Submission Agreement: July 6, 2001

CASE SUMMARY

Claimant asserted the following causes of action, among others: violation of Rule IM-2310-2 of the NASD Business Conduct Rules; misrepresentations; fraud; breach of duty of loyalty; conflict of interest; and, failure to supervise. The causes of action relates to investment in Casino Padre Investment Company, LLC.

Unless specifically admitted in its Answer, Respondent denied the allegations made in the Statement of Claim and asserted the following defenses, among others: the Statement of Claim fails to state a basis or claim upon which relief may be granted; Claimant was advised of and assumed the risks of his investment, therefore he should be estopped from recovery; the doctrine of laches bars the claim; the Statement of Claim fails to plead fraud with

requisite particularity; and, all claims asserted against Respondent must be barred since Mr. Traina's alleged conduct, if true, occurred without either the express or apparent authority of Respondent.

RELIEF REQUESTED

Claimant requested:

Compensatory Damages	\$45,000
Interest	unspecified amount
Attorneys' Fees	unspecified amount
Other Costs	unspecified amount

Respondent, in its Answer, denied all claims asserted in the Statement of Claim, and requested that Claimant's claim be dismissed in its entirety. Respondent also requested attorneys fees and other costs, of unspecified amounts.

OTHER ISSUES CONSIDERED AND 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.

AWARD

After considering the pleadings, the testimony and evidence presented at the hearing, the Arbitration Panel ("Panel") has decided in full and final resolution of the issues submitted for determination as follows:

1. That Claimant's claim is denied in its entirety;
2. That the parties shall bear their respective costs and attorneys' fees except as Fees are specifically addressed below; and,
3. Any and all requests for relief not specifically addressed herein are denied in their entirety.

FEES

Pursuant to the Code of Arbitration Procedure (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	= \$175
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Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firm that employed the associated person at the time of the events giving rise to the dispute. In this matter, the member firm is a party.

Member surcharge	= \$ 800
Pre-hearing process fee	= \$ 600
Hearing process fee	= \$1,000

Forum Fees and Assessments

The Panel has the authority to assess forum fees for each hearing session conducted. A hearing session is any meeting between the parties and the arbitrators, including a pre-hearing conference with the arbitrators, that lasts four (4) hours or less. Fees associated with these proceedings are:

One (1) Pre-hearing session with Panel x \$600	= \$ 600
Pre-hearing conference: November 14, 2001 1 session	

One (1) Hearing session x \$600	= \$ 600
Hearing Date: January 8, 2002 1 session	

Total Forum Fees	= \$1,200
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The Panel has assessed \$600 of the forum fees to Claimant.
The Panel has assessed \$600 of the forum fees to Respondent.

Fee Summary

Claimant is assessed the following fees:

Initial Filing Fee	= \$ 175
Forum Fees	= \$ 600

Total Fees	= \$ 775
Less payments	= \$ 775

Balance Due NASD Dispute Resolution, Inc. = \$ 00

Respondent is assessed the following fees:

Member Fees = \$ 2,400

Forum Fees = \$ 600

Total Fees = \$ 3,000

Less payments = \$ 1,259

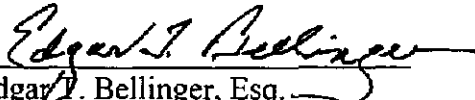
Balance Due NASD Dispute Resolution, Inc. = \$ 1,741

All balances are due to NASD Dispute Resolution, Inc.

ARBITRATION PANEL

Edgar T. Bellinger, Esq.	-	Public Arbitrator, Presiding Chairman
Douglas Earl McLaren, Esq.	-	Public Arbitrator, Panelist
Robert Paulger Linn	-	Non-Public Arbitrator, Panelist

Concurring Arbitrators' Signatures


Edgar J. Bellinger, Esq.
Public Arbitrator, Presiding Chairman

1/23/02
Signature Date

Douglas Earl McLaren, Esq.
Public Arbitrator, Panelist

Signature Date

Robert Paulger Linn
Non-Public Arbitrator, Panelist


Signature Date

1/29/2002
Date of Service (For NASD-Dispute Resolution office use only)

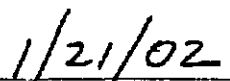
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Public Arbitrator, Panelist

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Robert Paulger Linn

Robert Paulger Linn
Non-Public Arbitrator, Panelist

1/22/02

Signature Date

1/29/2002

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