

**Award
NASD**

In the Matter of the Arbitration Between:

Name of the Claimant
Rizwan Rehman

Case Number: 01-02136

Names of the Respondents
First Liberty Investment Group, Inc.
Casey Ryan Burt

Hearing Site: Boca Raton, FL

REPRESENTATION OF PARTIES

For Rizwan Rehman hereinafter referred to as "Claimant": David A. Weintraub, Esq., Ft. Lauderdale, FL.

For Respondent First Liberty Investment Group, Inc. ("FLI"): W. Gresham Cooney, President, FLI, Philadelphia, PA.

For Respondent Casey Ryan Burt ("Burt"): Delmer C. Gowing, III, Esq., Delray Beach, FL.

CASE INFORMATION

Statement of Claim filed on or about: April 27, 2001.

Amended Statement of Claim filed on or about: July 13, 2001.

Second Amended Statement of Claim filed on or about: August 14, 2001.

Third Amended Statement of Claim filed on or about: May 31, 2002.

Claimant signed the Uniform Submission Agreement: February 28, 2001.

Respondents' Request to Dismiss, Answer and Request for Expungement filed on or about: June 20, 2001.

Respondent FLI signed the Uniform Submission Agreement: June 18, 2001.

Respondent Burt signed the Uniform Submission Agreement: June 18, 2001.

Claimant's Response to Respondents' Motion to Dismiss filed on or about: August 30, 2001.

Motion for Leave to File Third Amended Statement of Claim filed by Claimant on or about: May 31, 2002.

CASE SUMMARY

Claimant asserted the following causes of action: violations of the federal securities laws and Florida Securities and Investor Protection Act; breach of fiduciary duty; failure to supervise; and, common law fraud. The causes of action relate to the purchase and sale of unspecified securities products in Claimant's account.

Unless specifically admitted in their Answer, Respondents FLI and Burt denied the allegations made in the Statement of Claim and asserted various affirmative defenses including: failure to state a claim upon which relief can be granted; there is no private cause of action for violation of self-regulatory organization rules; and, Claimant failed to rely on any alleged omission of material fact by Respondents.

RELIEF REQUESTED

Claimant requested compensatory damages of \$184,000.00 plus interest of \$32,791.00, costs, that he be declared the prevailing party, and such other relief as the undersigned arbitrators (the "Panel") deemed appropriate.

Respondents requested dismissal of the Statement of Claim, costs, expungement of Respondent Burt's Central Registration Depository ("CRD") record, attorneys' fees, and such other relief as the Panel deemed just, fair, and equitable.

OTHER ISSUES CONSIDERED AND DECIDED

On or about September 25, 2001, the Panel issued an order which denied Respondents' Motion to Dismiss.

On or about May 31, 2002, Claimant dismissed, with prejudice, his claims against Respondent Burt.

On or about July 17, 2002, the Panel issued an order which granted Claimant's Motion for Leave to File Third Amended Statement of Claim.

Respondent FLI did not appear at the evidentiary hearing. FLI's original counsel, Nicholas J. Guiliano, Esq., resigned as counsel on October 5, 2001, and designated Christian Eminente, who is identified in the NASD Central Registration Depository as FLI's executive vice-president, as FLI's representative. The NASD mailed all subsequent pleadings and notices to Mr. Eminente at 280 N. Federal Highway, C5, Boca Raton, FL 33487. On or about July 31, 2002, Mr. Eminente confirmed that the foregoing address was correct but denied to NASD staff that he was the designated representative for FLI. Upon review of the file and the representations made by/on behalf of the Claimant, the Panel determined that Respondent FLI has been properly served with the Statement of Claim and received due notice of the hearing, and that arbitration of the matter would proceed without said Respondent present, in accordance with the NASD Code of Arbitration Procedure (the "Code").

The parties have agreed that the Award in this matter may be executed in counterpart copies.

AWARD

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

Respondent FLI is liable and shall pay to Claimant compensatory damages of \$176,500.00 plus pre-judgment interest of \$32,791.00.

The Panel finds that Respondent FLI violated Florida Statutes section 517.301, including, but not limited to, fraud contemplated by Florida Statutes section 517.301.

As the prevailing party, Claimant is entitled to, and Respondent FLI shall pay to Claimant attorneys' fees pursuant to Florida Statutes section 517.211, the amount of which shall be determined by a court of competent jurisdiction.

Respondent FLI is liable and shall pay to Claimant the sum of \$375.00 representing reimbursement of the claim filing fee previously paid by Claimant to NASD.

Any and all relief not specifically addressed herein, including Respondents' request for expungement, is denied.

FEES

Pursuant to the NASD Code of Arbitration Procedure (the "Code"), the following fees are assessed:

Filing Fees

NASD will retain or collect the non-refundable filing fees for each claim:

Initial claim filing fee	= \$375.00
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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(s) that employed the associated person(s) at the time of the event(s) giving rise to the dispute. In this matter, the member firm is a party.

Member surcharge	= \$2,000.00
Pre-hearing process fee	= \$600.00
Hearing process fee	= \$2,500.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

May 13-16, 2002, adjournment by Claimant. Adjournment fee waived by the Panel.

Injunctive Relief Fees

Injunctive relief fees are assessed to each member or associated person who files for a temporary injunction in court. Parties in these cases are also assessed arbitrator travel expenses and costs when an arbitrator is required to travel outside his or her hearing location and additional arbitrator honoraria for the hearing for permanent injunction. These fees, except the injunctive relief surcharge, are assessed equally against each party unless otherwise directed by the Panel.

No injunctive relief fees were incurred in this matter.

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 Panel @ \$1,125.00	= \$1,125.00
Pre-hearing conference: October 2, 2001 1 session	
One (1) Hearing session @ \$1,125.00	= \$1,125.00
Hearing Date: August 1, 2002 1 session	
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Total Forum Fees	= \$2,250.00

The Panel has assessed the total forum fees of \$2,250.00 to Respondent FLI.

Administrative Costs

Administrative costs are expenses incurred due to a request by a party for special services beyond the normal administrative services. These include, but are not limited to, additional copies of arbitrator awards, copies of audio transcripts, retrieval of documents from archives, interpreters, and security.

No administrative costs were incurred in this matter.

FEE SUMMARY

Claimant is solely liable for:

Initial Filing Fee	= \$375.00
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Total Fees	= \$375.00
Less payments	= \$375.00

Balance Due NASD	= \$0.00
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Respondent FLI is solely liable for:

Member Fees	= \$5,100.00
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Forum Fees	= \$2,250.00
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Total Fees	= \$7,350.00
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Less payments	= \$1,800.00
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Balance Due NASD	= \$5,550.00
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All balances are payable to NASD and are due upon receipt pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

Allan M. Lerner, Esq.	-	Public Arbitrator, Presiding Chair
Laz L. Schneider, Esq.	-	Public Arbitrator
Andrew Bartfay	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

/s/

Allan M. Lerner, Esq.
Public Arbitrator, Presiding Chair

Signature Date

/s/

Laz L. Schneider, Esq.
Public Arbitrator

Signature Date

/s/

Andrew Bartfay
Non-Public Arbitrator

Signature Date

August 30, 2002

Date of Service (For NASD office use only)

NASD Dispute Resolution
Arbitration No. 01-02136
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Balance Due NASD	= \$0.00
Respondent FLI is solely liable for:	
Member Fees	= \$5,100.00
Forum Fees	= \$2,250.00
Total Fees	= \$7,350.00
Less payments	= \$1,800.00
Balance Due NASD	= \$5,550.00

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Public Arbitrator, Presiding Chair


Signature Date

Laz L. Schneider, Esq.
Public Arbitrator

Signature Date

Andrew Bartfay
Non-Public Arbitrator

Signature Date

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Award Page 5

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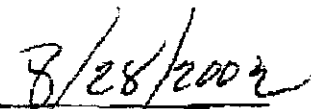
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Public Arbitrator, Presiding Chair

Signature Date



Laz L. Schneider, Esq.
Public Arbitrator



Signature Date

Andrew Bartfay
Non-Public Arbitrator

Signature Date

Date of Service (For NASD office use only)

NASD Dispute Resolution
Arbitration No. 01-02136
Award Page 3

Balance Due NASD = \$0.00

Respondent FLI is solely liable for:

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Balance Due NASD = \$5,550.00

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Public Arbitrator, Presiding Chair

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Public Arbitrator

Andrew Bartfay

Non-Public Arbitrator

Concurring Arbitrators' Signatures

Allan M. Lerner, Esq.

Signature Date

Public Arbitrator, Presiding Chair

Laz L. Schneider, Esq.

Signature Date

Public Arbitrator


Andrew Bartfay
Non-Public Arbitrator

8-30-02
Signature Date

Date of Service (For NASD office use only)