

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimants

Estate of Benjamin Wood
Mona Wood
Wood Development Company

Case Number: 01-02455

Name of the Respondents

Eileen Wasserman
Gruntal & Co., LLC a/k/a Gruntal & Co., Inc.

Hearing Site: Baltimore, MD

REPRESENTATION OF PARTIES

Claimants, Estate of Benjamin Wood ("Estate"), Mona Wood and Wood Development Company ("Wood Development"), hereinafter collectively referred to as "Claimants": Mark M. Dumler, Esq., Parker, Dumler & Kiely, LLP, Baltimore, MD.

Respondents, Eileen Wasserman ("Wasserman") and Gruntal & Co., LLC ("Gruntal"), hereinafter collectively referred to as "Respondents": Richard A. Levan, Esq., Andrew D. Klein, Esq., Drinker Biddle & Reath LLP, Philadelphia, PA.

CASE INFORMATION

Statement of Claim filed on: May 9, 2001

Claimant, Benjamin Wood, signed the Uniform Submission Agreement: May 8, 2001

Claimant, Mona Wood, signed the Uniform Submission Agreement: May 8, 2001 and May 22, 2002

A representative of Claimant, Wood Development, signed the Uniform Submission Agreement: May 8, 2001 and May 22, 2002

A representative of Claimant, Estate, signed the Uniform Submission Agreement: May 22, 2002

Statement of Answer filed by Respondents on or about: July 25, 2001

Respondent, Wasserman, signed the Uniform Submission Agreement: September 4, 2001

A representative of Respondent, Gruntal, signed the Uniform Submission Agreement: September 5, 2001

Motion to Exclude Evidence and Witnesses filed by Claimants: May 22, 2002

CASE SUMMARY

Claimants asserted the following causes of action: fraud; negligence; breach of fiduciary duty; violation of Section 10(b) of the Securities Act of 1934; violation of SEC Rule 10(b)-5; violation of Section 12(2) of the Securities Act of 1933; and violation of the Maryland Securities Act. The causes of action relate to the purchase and sale of Tarrant County Housing Finance Corporation bonds, Escambia County Florida Housing Finance Corporation bonds, Perdido Housing Corporation bonds, and bonds issued by: Bayshore Housing, Crown Paper, Eagle Lake HFC, Emerald Coast Florida Housing Corporation, Geneva Steel, Miller City Recreation Authority, Moffett County Colorado, Revlon Worldwide Corporation, San Saba City Texas HFC, Texoma HFC and Winstar Communications.

Unless specifically admitted in its Answer, Respondents denied the allegations made in the Statement of Claim and asserted the following defenses: failure to state a claim upon which relief can be granted; statutes of limitation; estoppel, waiver, ratification and laches; and contributory negligence.

RELIEF REQUESTED

Claimants requested:

Compensatory Damages	\$ 2,500,000.00
Punitive Damages	unspecified
Attorneys' Fees	unspecified
Other Costs	unspecified

Respondents requested that Claimants' claims be dismissed with prejudice, that the Panel award Respondents the costs of the suit, and that all references to the claims be expunged from Respondents' CRD records.

OTHER ISSUES CONSIDERED AND DECIDED

Claimant, Benjamin Wood, passed away and the Estate of Benjamin Wood was substituted on May 22, 2002.

Claimants' Motion to Exclude Evidence and Witnesses was denied.

Respondent, Gruntal, failed to comply with the May 9, 2002 Order of the Panel to Compel Document Production.

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 Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. Claimants' claims are denied in their entirety;
2. Respondent, Gruntal, is liable to Claimants for failure to comply with the May 9, 2002 Order Compelling Document Production and shall pay them damages in the amount of \$ 100.00 per day for the period from May 14, 2002 to June 6, 2002 for total damages of \$ 2,400.00;
3. For failure to comply with the May 9, 2002 Order Compelling Document Production, Respondent, Gruntal, is liable to NASD Dispute Resolution and shall pay it a sanction in the amount as listed under Fees below;
4. The parties shall bear their respective costs, except as to Fees specifically addressed below; and
5. Any and all relief not specifically addressed herein is denied.

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	= \$ 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. Accordingly, Gruntal & Co. is a party.

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

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:

Two (2) Pre-hearing sessions with a single arbitrator @ \$ 450.00	= \$	900.00
Pre-hearing conferences:		
April 17, 2002	1 session	
May 9, 2002	1 session	

One (1) Pre-hearing session with Panel @ \$ 1,200.00	= \$	1,200.00
Pre-hearing conference:		
March 20, 2002	1 session	

Eight (8) Hearing sessions @ \$1,200.00	= \$	9,600.00
Hearing Dates:		
June 3, 2002	2 sessions	
June 4, 2002	2 sessions	
June 5, 2002	2 sessions	
June 6, 2002	2 sessions	

Total Forum Fees	= \$	11,700.00
------------------	------	-----------

1. The Panel has assessed \$ 5,850.00 of the forum fees, jointly and severally, to Claimants.
2. The Panel has assessed \$ 5,850.00 of the forum fees to Respondent, Gruntal.

Costs

Respondent, Gruntal, was assessed sanctions by the Arbitration Panel, as discussed in the Award section above.

Costs	= \$	20,000.00
-------	------	-----------

Fee Summary

1. Claimants are jointly and severally liable for:

Initial Filing Fee	= \$	500.00
Forum Fees	= \$	5,850.00

Total Fees	= \$	6,350.00
Less payments	= \$	1,700.00

Balance Due NASD Dispute Resolution	= \$	4,650.00
-------------------------------------	------	----------

2. Respondent, Gruntal, is solely liable for:

Member Fees	= \$ 7,600.00
Forum Fees	= \$ 5,850.00
Costs	= \$ 20,000.00

Total Fees	= \$ 33,450.00
Less payments	= \$ 7,600.00

Balance Due NASD Dispute Resolution	= \$ 25,850.00
-------------------------------------	----------------

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

ARBITRATION PANEL

Leonard E. Benade	-	Public Arbitrator, Presiding Chairperson
Kenneth F. Baer, CPA	-	Public Arbitrator, Panelist
Oscar W. Carlson, Jr.	-	Non-Public Arbitrator, Panelist

Concurring Arbitrators' Signatures



Leonard E. Benade
Public Arbitrator, Presiding Chairperson

7/28/02

Signature Date

Kenneth F. Baer, CPA
Public Arbitrator, Panelist

Signature Date

Oscar W. Carlson, Jr.
Non-Public Arbitrator, Panelist

Signature Date

08/01/2002

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

Concurring Arbitrators' Signatures

Leonard E. Benade
Public Arbitrator, Presiding Chairperson

Signature Date

Kenneth F. Baer
Kenneth F. Baer, CPA
Public Arbitrator, Panelist

7/26/02
Signature Date

Oscar W. Carlson, Jr.
Non-Public Arbitrator, Panelist

Signature Date

08/01/2002
Date of Service (For NASD Dispute Resolution office use only)