

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimant

Rita McCarthy Foster

Case Number: 01-02882

Name of the Respondents

Roland F. Smith

Joan M. Smith

Eagle Equities, Inc.

Hearing Site: Baltimore, MD

REPRESENTATION OF PARTIES

Claimant, Rita McCarthy Foster, hereinafter referred to as "Claimant": Walter J. Foster, Annapolis, MD.

Respondents, Roland F. Smith and Joan M. Smith ("Smith") and Eagle Equities, Inc. ("Eagle"), hereinafter collectively referred to as "Respondents": William A Healy, Esq., Silbiger and Coleman, Westminster, MD.

CASE INFORMATION

Statement of Claim filed on: May 31, 2001 (Amended August 10, 2001, September 10, 2001 and January 8, 2002)

Claimant signed the Uniform Submission Agreement: May 29, 2001

Statement of Answer and Counterclaim filed by Respondents on: August 1, 2001

Respondent, Joan M. Smith, signed the Uniform Submission Agreement: July 30, 2001

Respondent, Roland F. Smith, signed the Uniform Submission Agreement: July 30, 2001

Respondent, Eagle, did not sign the Uniform Submission Agreement.

Addendum to Answer and Counterclaim filed by Respondents on: October 2, 2001

Addendum to Answer and Counterclaim filed by Respondents on: January 4, 2002

CASE SUMMARY

Claimant asserted the following causes of action: unsuitable investments; inappropriate sales; excessive commissions; and negligence. The causes of action relate to the Claimant's Pitney Bowes common stock and several mutual funds and annuity contracts.

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; authorization, acceptance and ratification; statute of limitations; waiver estoppel and ratification; failure to

mitigate damages; assumption of risk; and unclean hands.

Respondents asserted the following cause of action in the Counterclaim: defamation.

RELIEF REQUESTED

Claimant requested:

Compensatory Damages	\$ 381,496.00
Interest	\$ 85,490.00
Other Monetary/Non-Monetary Relief if any:	
Immediate redemption of annuity contracts without any penalty or cost	

Respondents requested that the Panel dismiss Claimant's claims, grant expungment and award Respondents \$ 50,000 for the costs incurred in defending this case as well as damages for loss of business revenues and reputation.

OTHER ISSUES CONSIDERED AND DECIDED

Respondents' Motion to Dismiss, made at the hearing, was denied.

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. Claimant's claims are denied in their entirety;
2. Respondents' claims are denied in their entirety;
3. The parties shall bear their respective costs, except as to Fees specifically addressed below; and
4. 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	= \$ 300.00
Counter claim filing fee	= \$ 1,000.00

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 persons at the time of the events giving rise to the dispute. Accordingly, Eagle Equities, Inc. is a party.

Member surcharge	= \$ 1,500.00
Pre-hearing process fee	= \$ 600.00
Hearing process fee	= \$ 2,500.00

Forum Fees and Assessments

The Panel has assessed forum fees for each session conducted. A session is any meeting between the parties and the 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 @ \$ 1,125.00		= \$ 1,125.00
Pre-hearing conference:	December 4, 2001	1 session
Six (6) Hearing sessions @ \$ 1,125.00		= \$ 6,750.00
Hearing Dates:	June 5, 2002	2 sessions
	June 6, 2002	2 sessions
	June 7, 2002	2 sessions

Total Forum Fees	= \$ 7,875.00
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1. The Panel has assessed \$ 3,937.50 of the forum fees to Claimant.
2. The Panel has assessed \$ 3,937.50 of the forum fees, jointly and severally, to Respondents.

Fee Summary

1. Claimant is solely liable for:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$ 3,937.50

Total Fees	= \$ 4,237.50
Less payments	= \$ 1,425.00

Balance Due NASD Dispute Resolution	= \$ 2,812.50
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2. Respondent, Eagle, is solely liable for:

Member Fees	= \$ 4,600.00
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Total Fees	= \$ 4,600.00
Less payments	= \$ 4,162.00

Balance Due NASD Dispute Resolution	= \$ 438.00
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3. Respondents, Smith and Eagle, are jointly and severally liable for:

Counter claim Filing Fee	= \$ 1,000.00
Forum Fees	= \$ 3,937.50

Total Fees	= \$ 4,937.50
Less payments	= \$ 0.00

Balance Due NASD Dispute Resolution	= \$ 4,937.50
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All balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to Rule 10330(g) of the Code.

Arbitration No. 01-02882

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ARBITRATION PANEL

Maurice R. Dunic, Esq.

Sheldon Rappaport, Esq.

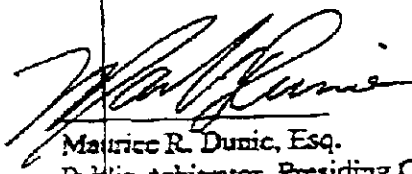
Gordon F. Linke

- Public Arbitrator, Presiding Chairperson

- Public Arbitrator

- Non-Public Arbitrator

Concurring Arbitrators' Signature(s)



Maurice R. Dunic, Esq.

Public Arbitrator, Presiding Chairperson

July 18, 2012
Signature Date

Sheldon Rappaport, Esq.

Public Arbitrator

Signature Date

Gordon F. Linke

Non-Public Arbitrator

Signature Date

7/19/02

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


ARBITRATION PANEL

Maurice R. Dunie, Esq.	-	Public Arbitrator, Presiding Chairperson
Sheldon Rappaport, Esq.	-	Public Arbitrator
Gordon F. Linke	-	Non-Public Arbitrator

Concurring Arbitrators' Signature(s)

Maurice R. Dunie, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date


Sheldon Rappaport, Esq.
Public Arbitrator

7/15/02
Signature Date

Gordon F. Linke
Non-Public Arbitrator

Signature Date

7/19/02

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

ARBITRATION PANEL

Maurice R. Dunie, Esq.	-	Public Arbitrator, Presiding Chairperson
Sheldon Rappaport, Esq.	-	Public Arbitrator
Gordon F. Linke	-	Non-Public Arbitrator


Concurring Arbitrators' Signature(s)

Maurice R. Dunie, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date

Sheldon Rappaport, Esq.
Public Arbitrator

Signature Date



Gordon F. Linke

Non-Public Arbitrator

7/13/02

Signature Date

7/19/02
Date of Service (For NASD Dispute Resolution office use only)