

Award

NASD

In the Matter of the Arbitration Between:

Name of the Claimant
Nadyne P. Hines

Case Number: 02-00801

Names of the Respondents
Banc of America Investment Services, Inc.
John Zangari

Hearing Site: Tampa, Florida

REPRESENTATION OF PARTIES

For Nadyne P. Hines, hereinafter referred to as "Claimant": Scott C. Ilgenfritz, Esq., Johnson, Blakely, Pope, Bokor, Ruppel & Burns, P.A., Tampa, Florida.

For Banc of America Investment Services, Inc. ("Banc") and John Zangari ("Zangari"), hereinafter collectively referred to as "Respondents": William C. Guerrant, Jr., Esq., Hill, Ward & Henderson, Tampa, Florida.

CASE INFORMATION

Statement of Claim filed on or about: February 8, 2002.

Claimant signed the Uniform Submission Agreement: February 8, 2002.

Statement of Answer filed by Respondents on or about: April 10, 2002

Respondent Banc signed the Uniform Submission Agreement: April 16, 2002.

Respondent Zangari signed the Uniform Submission Agreement: May 6, 2002.

CASE SUMMARY

Claimant asserted Respondents were liable to her for compensatory and punitive damages and attorneys' fees based upon Respondents' having made unauthorized and unsuitable investments for Claimant on substantial margin, without disclosing to Claimant the risks associated with purchasing securities on margin. Claimant sought relief from Respondents based on claims of negligence, negligent supervision, breach of fiduciary duty, common law fraud and violation of Chapter 517 of the Florida Statutes. The causes of action relate to Respondents' unsuitable concentration of investments in unspecified technology stocks in Claimant's account.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted various defenses.

RELIEF REQUESTED

Claimant requested compensatory damages of \$201,031.00, plus interest, punitive damages to be determined by the arbitrators, a finding by the arbitrators that Claimant prevailed on her Chapter 517 claims so that Claimant may be awarded her attorneys' fees, costs of arbitration and such other and further relief as the arbitration panel deemed just and proper.

Respondents requested that the panel make a finding that they are the prevailing party on this claim and entitled to an award of attorneys' fees under Florida Statutes Chapter 517.

OTHER ISSUES CONSIDERED AND DECIDED

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 undersigned arbitrators (the "Panel") have decided in full and final resolution of the issues submitted for determination as follows:

Respondent Banc is found liable on the claim of negligent supervision and shall pay to Claimant the sum of \$40,745.00, pre-judgment interest specifically excluded. Post-judgment interest shall accrue at the rate of 6% per annum from January 9, 2003 until the date of payment of the Award.

Respondent Zangari is found liable on the claim of negligence and shall pay to Claimant the sum of \$4500.00, pre-judgment interest specifically excluded. Post-judgment interest shall accrue at the rate of 6% per annum from January 9, 2003 until the date of payment of the Award.

Respondent Banc is liable and shall pay to Claimant costs in the sum of \$5,000.00.

Respondent Banc is liable and shall pay to Claimant the sum of \$300.00 representing reimbursement of the claim filing fee previously paid by Claimant to NASD.

The parties' requests for attorneys' fees are denied.

Any and all claims for relief not specifically addressed herein, including Claimant's claim for relief pursuant to Florida Statutes Chapter 517 and Claimant's request for punitive damages, are 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 = \$300.00

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. In this matter, the member firm is a party.

Member surcharge	= \$1,700.00
Pre-hearing process fee	= \$750.00
Hearing process fee	= \$2,750.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

No adjournments were granted for which fees were assessed in this matter.

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 Pre-hearing session with a single arbitrator @ \$450.00	= \$450.00
Pre-hearing conference: September 23, 2002	1 session
One Pre-hearing session with the Panel @ \$1,125.00	= \$1,125.00
Pre-hearing conference: August 7, 2002	1 session
Seven Hearing sessions @ \$1,125.00	= \$7,875.00
Hearing Dates: January 6, 2003	2 sessions
January 7, 2003	2 sessions
January 8, 2003	2 sessions
January 9, 2003	1 session
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Total Forum Fees	= \$9,450.00

The Panel has assessed \$4,725.00 of the forum fees to Claimant.

The Panel has assessed \$4,725.00 of the forum fees to Respondent Banc.

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	= \$300.00
Forum Fees	= \$4,725.00

Total Fees	= \$5,025.00
Less payments	= \$25.00

Balance Due NASD	= \$4,725.00
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Respondent Banc is solely liable for:

Member Fees	= \$5,200.00
Forum Fees	= \$4,725.00

Total Fees	= \$9,925.00
Less payments	= \$5,200.00

Balance Due NASD	= \$4,725.00
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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

John P. Cullem, Esq.	-	Public Arbitrator, Presiding Chair
James Francis Donovan	-	Public Arbitrator
George E. Bouse	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

/s/

John P. Cullem, Esq.
Public Arbitrator, Presiding Chair

Signature Date

/s/

James Francis Donovan
Public Arbitrator

Signature Date

/s/

George E. Bouse
Non-Public Arbitrator

Signature Date

February 10, 2003

Date of Service (For NASD office use only)

No administrative costs were incurred in this matter.

FEE SUMMARY

Claimant is solely liable for:

Initial Filing Fee	= \$300.00
Forum Fees	= \$4,725.00

Total Fees	= \$5,025.00
Less payments	= \$1,425.00

Balance Due NASD	= \$3,600.00
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Respondent Banc is solely liable for:

Member Fees	= \$5,200.00
Forum Fees	= \$4,725.00

Total Fees	= \$9,925.00
Less payments	= \$5,200.00

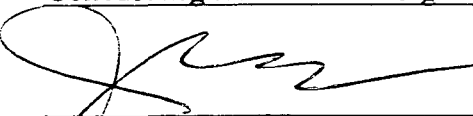
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James Francis Donovan	-	Public Arbitrator
George E. Bouse	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures



John P. Cullem, Esq.
Public Arbitrator, Presiding Chair

1-31-2003
Signature Date

James Francis Donovan
Public Arbitrator

Signature Date

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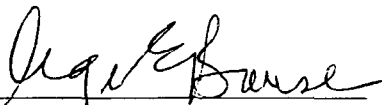
Concurring Arbitrators' Signatures

John P. Cullem, Esq.
Public Arbitrator, Presiding Chair

Signature Date

James Francis Donovan
James Francis Donovan
Public Arbitrator

29 June 03
Signature Date



George E. Bouse
Non-Public Arbitrator

1-31-03

Signature Date

Date of Service (For NASD office use only)