

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Unibanco Securities, Inc., and Unibanco Securities Limited (Claimants) v. FTC Securities, Inc., (Respondent)

Case Number: 02-04958

Hearing Site: New York, New York

REPRESENTATION OF PARTIES

Claimants, Unibanco Securities, Inc. (Unibanco Inc.), and Unibanco Securities Limited (Unibanco Limited) hereinafter referred to as "Claimants": William Bethlem, Director, Unibanco Securities, Inc., New York, NY.

Respondent, FTC Securities, Inc., hereinafter referred to as "Respondent": did not enter an appearance in this matter.

CASE INFORMATION

Statement of Claim filed on or about: August 23, 2002.

Claimant signed the Uniform Submission Agreement: August 22, 2002.

Respondent did not submit a Statement of Answer or sign a Uniform Submission Agreement.

CASE SUMMARY

Claimant asserted the following causes of action: breach of contract, failure to supervise, misrepresentations, omission of facts. Claimant's claim involves securities of C-Bond.

RELIEF REQUESTED

Claimant requested:

1. Compensatory damages in the amount of \$106,963.82;
2. Attorneys' Fees;
3. A temporary injunctive order be issued against Respondent.

OTHER ISSUES CONSIDERED AND DECIDED

At the conclusion of the hearings in this matter, Unibanco Limited amended their Statement of Claim to add Unibanco Securities, Inc. Unibanco Limited also amended the amount of compensatory damages requested from \$106,983.82 to \$90,818.70. The Panel granted both requests.

Upon review of the file and the representations made on behalf of the Claimant, the Panel determined that Respondent 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").

Respondent FTC Securities Inc. did not file with NASD Dispute Resolution a properly executed Uniform Submission Agreement but is required to submit to arbitration pursuant to the Code and is bound by the determination of the Panel on all issues submitted.

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

1. Respondent is liable for and shall pay to Claimants, jointly and severally, the sum of \$90,818.70 as compensatory damages, plus interest at a rate of 9% accruing from August 1, 2003 until the date of payment of this award.
2. Any and all relief not specifically addressed herein, including punitive damages and attorneys fees, 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 = \$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, Unibanco Securities, Inc. is a party.

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

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: June 4, 2003 1 session

One (1) Hearing session @ \$1,125.00 = \$1,125.00

Hearing Date: July 8, 2003 1 session
Total Forum Fees = \$2,250.00

1. The Panel has assessed all of the forum fees against the Respondent.

Fee Summary

1. Claimant Unibanco Inc. is solely liable for:

Member Fees = \$5,200.00
Total Fees = \$5,200.00
Less payments = \$5,200.00
Balance Due NASD Dispute Resolution = \$ 0.00

2. Claimants are jointly and severally liable for:

Initial Filing Fee = \$1,000.00
Total Fees = \$1,000.00
Less payments = \$1,125.00
Refund Due Claimants = \$ 125.00

3. Respondent is solely liable for:

Forum Fees = \$2,250.00

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Total Fees	= \$2,250.00
Less payments	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$2,250.00

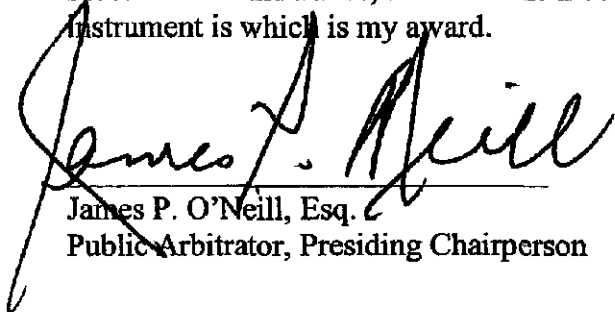
All balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

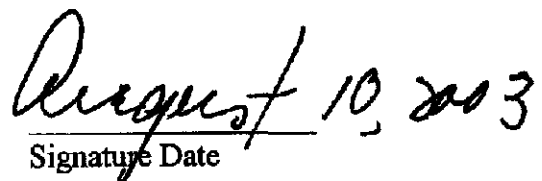
James P. O'Neill, Esq.	-	Public Arbitrator, Presiding Chair
Arthur H. Steampleman	-	Public Arbitrator
Robert J. Gorgia	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

I, the undersigned arbitrator, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument is which is my award.



James P. O'Neill, Esq.
Public Arbitrator, Presiding Chairperson



Signature Date

Arthur H. Steampleman
Public Arbitrator

Signature Date

Robert J. Gorgia
Non-Public Arbitrator

Signature Date

September 2, 2003
Date of Service (For NASD Dispute Resolution use only)

ARBITRATION PANEL

James P. O'Neill, Esq.	-	Public Arbitrator, Presiding Chair
Arthur H. Steampleman	-	Public Arbitrator
Robert J. Gorgia	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

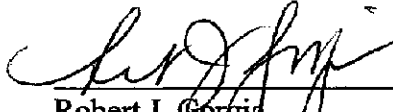
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Public Arbitrator, Presiding Chairperson

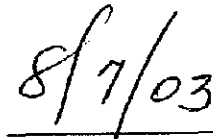
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