

Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimant

Ruby G. Samples, a widow

Case Number: 02-05123

Names of the Respondents

Washington Square Securities, Inc.

Bruce J. Hearn

Hearing Site: Atlanta, Georgia

Nature of the Dispute: Customer vs. Member and Associated Person.

REPRESENTATION OF PARTIES

For Ruby G. Samples, hereinafter referred to as "Claimant": Hank D. Fellows, Jr., Esq.,
Fellows, Johnson & LaBriola, LLP, Atlanta, Georgia.

For Washington Square Securities, Inc. ("Washington") and Bruce J. Hearn ("Hearn"),
hereinafter collectively referred to as "Respondents": Gary A. Barnes, Esq., Gambrell &
Stolz, LLP, Atlanta, Georgia.

CASE INFORMATION

Statement of Claim filed on or about: August 28, 2002.

Claimant signed the Uniform Submission Agreement: August 16, 2002.

Statement of Answer filed by Respondents on or about: October 31, 2002.

Respondent Washington signed the Uniform Submission Agreement: September 17, 2002.

Respondent Hearn signed the Uniform Submission Agreement: October 28, 2002.

CASE SUMMARY

Claimant asserted the following causes of action: securities fraud; constructive fraud; fraud; churning; unsuitability; breach of fiduciary duty; and, breach of contract. The causes of action relate to the purchase and sale of various mutual funds and annuities in Claimant's account, including Pacific One and American Skandia Life Assurance Corp.

Unless specifically admitted in their Answer, Respondents denied all of the material allegations made in the Statement of Claim and asserted, among other things, the following defenses: failure to state a claim; failure to mitigate damages; assumption of risk; contributory negligence; waiver; ratification, and estoppel.

RELIEF REQUESTED

Claimant requested in excess of \$500,000.00 in compensatory damages and punitive damages, plus interest, attorneys' fees, costs and forum fees.

Respondents requested denial of the Statement of Claim in its entirety.

OTHER ISSUES CONSIDERED AND DECIDED

On or about November 24, 2003, Claimant informed NASD Dispute Resolution that she had reached a settlement in the case.

On or about December 3, 2003, the parties submitted to NASD Dispute Resolution a proposed Stipulated Award for execution by the arbitration panel.

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

AWARD

After considering the pleadings and the agreement of Claimant and Respondents, pursuant to a Settlement Agreement, the undersigned arbitrators (the "Panel") have decided in full and final resolution of the issues submitted for determination as follows:

All claims against Respondent Washington and any other claims that have been or could have been asserted by or on behalf of Claimant against Respondent Washington are hereby dismissed with prejudice.

The Panel recommends the expungement of all references to the above captioned arbitration from Respondent Hearn's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notices to Members 99-09 and 99-54, Respondent Hearn must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

Claimant and Respondents shall each bear their own costs, legal expenses, NASD fees, and attorneys' fees.

FEES

Pursuant to the NASD Code of Arbitration Procedure (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

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, Washington, 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 requests for adjournments for which fees were assessed were filed 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 the Panel @ \$1,125.00	= \$1,125.00
Pre-hearing conference: May 29, 2003 1 session	
<hr/>	
Total Forum Fees	= \$1,125.00

The Panel has assessed \$562.50 of the forum fees to Claimant.

The Panel has assessed \$562.50 of the forum fees jointly and severally to Respondents Washington and Hearn.

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	= \$562.50
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Total Fees	= \$862.50

Less payments = \$862.50

Balance Due NASD Dispute Resolution = \$0.00

Respondent Washington 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

Respondents are jointly and severally liable for:

Forum Fees = \$562.50

Total Fees = \$562.50

Less payments = \$562.50

Balance Due NASD Dispute Resolution = \$0.00

ARBITRATION PANEL

Marion Smith, II	-	Public Arbitrator, Presiding Chair
Steven P. Gregory, Esq.	-	Public Arbitrator
William K. Love	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

_____/S/_____
Marion Smith, II
Public Arbitrator, Presiding Chair

Signature Date

_____/S/_____
Steven P. Gregory, Esq.
Public Arbitrator

Signature Date

_____/S/_____
William K. Love
Non-Public Arbitrator

Signature Date

January 12, 2004
Date of Service (For NASD Dispute Resolution office use only)

Less payments = \$862.50

Balance Due NASD Dispute Resolution = \$0.00

Respondent Washington 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

Respondents are jointly and severally liable for:

Forum Fees = \$562.50

Total Fees = \$562.50

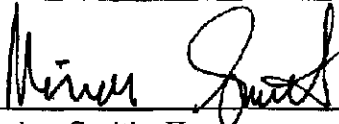
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ARBITRATION PANEL

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Steven P. Gregory, Esq.	-	Public Arbitrator
William K. Love	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures



Marion Smith, II
Public Arbitrator, Presiding Chair

12/30/03
Signature Date

Steven P. Gregory, Esq.
Public Arbitrator

Signature Date

William K. Love
Non-Public Arbitrator

Signature Date

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

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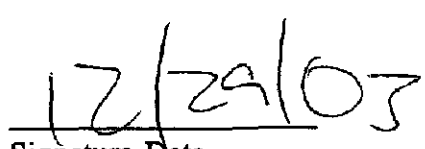
Marion Smith, II	-	Public Arbitrator, Presiding Chair
Steven P. Gregory, Esq.	-	Public Arbitrator
William K. Love	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

Marion Smith, II
Public Arbitrator, Presiding Chair

Signature Date


Steven P. Gregory, Esq.
Public Arbitrator


Signature Date

William K. Love
Non-Public Arbitrator

Signature Date

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

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Balance Due NASD Dispute Resolution = \$0.00

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Less payments = \$562.50

Balance Due NASD Dispute Resolution = \$0.00

ARBITRATION PANEL

Marion Smith, II	-	Public Arbitrator, Presiding Chair
Steven P. Gregory, Esq.	-	Public Arbitrator
William K. Love	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

Marion Smith, II
Public Arbitrator, Presiding Chair

Signature Date

Steven P. Gregory, Esq.
Public Arbitrator

Signature Date


William K. Love
Non-Public Arbitrator

1-8-4
Signature Date

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