

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Jerry Kramer, Don Geisinger, and Murrey Seidner, Individually and as Trustee of the Seidner Family Trust v. Wells Fargo Securities, LLC, f/k/a First Security Van Kasper, Inc., Michael A. Poutre, II, and Walter B. Terry, Jr.

Case Number: 02-05185

Hearing Site: Los Angeles, California

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

REPRESENTATION OF PARTIES

For Claimants:

Michael A. Bertz, Esq.
Attorney at Law
Los Angeles, California

For Respondents:

Michael J. Coffino, Esq.
Brent G. Cheney, Esq.
Steefel Levitt & Weiss, P.C.
San Francisco, California

CASE INFORMATION

Statement of Claim filed: January 7, 2003

Claimants' Uniform Submission Agreements each signed on: January 24, 2003

Joint Statement of Answer filed by Respondents on: April 3, 2003

Respondent Wells Fargo Securities, LLC's Uniform Submission Agreement signed on:
May 27, 2003

Respondent Michael A. Poutre, II's Uniform Submission Agreement signed on: April 30, 2003

Respondent Walter B. Terry, Jr.'s Uniform Submission Agreement signed on: April 26, 2003

CASE SUMMARY

Claimants alleged fraud, deceit, and breach of fiduciary duty. The causes of action relate to the Claimants' participation in a "Bridge Loan" in the form of Credit Agreements and Promissory Notes with Warrants for the purchase of shares of EPL Technologies, Inc.

Respondents denied the allegations of wrongdoing set forth in the Claimants' Statement of Claim and raised the affirmative defenses of laches, waiver, estoppel, unclean hands, ratification, justification, privilege, and failure to mitigate damages.

RELIEF REQUESTED

In their Statement of Claim, Claimants requested unspecified compensatory damages, \$5,000,000.00 in punitive damages, interest, and costs, including attorneys' fees.

During their final argument at the evidentiary hearing, Claimants amended their relief requested to include \$500,000.00 in compensatory damages for each of the three Claimants: Jerry Kramer, Don Geisinger, and Murrey Seidner, pre-judgment interest at the rate of 10% per annum from March 2, 2000, unspecified punitive damages, and costs.

In their Statement of Answer, Respondents requested dismissal with prejudice of the Claimants' Statement of Claim in its entirety.

During their final argument at the evidentiary hearing, Respondents amended their relief requested to include the expungement of all reference to the above captioned arbitration from Michael A. Poutre, II's and Walter B. Terry, Jr.'s registration records maintained by the NASD Central Registration Depository ("CRD").

OTHER ISSUES CONSIDERED AND DECIDED

On April 28, 2003, Claimants and Claimants' counsel signed a Waiver Agreement expressly waiving any and all rights and benefits under California Civil Code Section 1542 and the California Ethical Standards for Neutral Arbitrators.

On July 8, 2003, Respondents' counsel signed a Waiver Agreement expressly waiving any and all rights and benefits under California Civil Code Section 1542 and the California Ethical Standards for Neutral Arbitrators.

The parties 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, testimony, and evidence presented at the hearing, the Panel decided in full and final resolution of the issues submitted for determination as follows:

- 1) Claimants' claims are denied in their entirety.
- 2) Respondents Michael A. Poutre, II's and Walter B. Terry, Jr.'s requests for expungement are denied.
- 3) The parties shall bear their respective costs, including attorney's fees.
- 4) All other relief requested and not expressly granted is denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution received or will collect the non-refundable filing fees for each claim as follows:

Initial claim filing fee	= \$ 600.00
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Member Fees

Member fees are assessed to each member firm that is either a party in the matter or an employer of a respondent associated person at the time of the events that gave rise to the dispute, claim, or controversy. Accordingly, the member firm Wells Fargo Securities, LLC is a party and the following fees are assessed:

Member Surcharge	= \$ 2,800.00
Pre-Hearing Process Fee	= \$ 750.00
Hearing Process Fee	= \$ 5,000.00
Total Member Fees	= \$ 8,550.00

Forum Fees and Assessments

The Panel assessed a forum fee for each pre-hearing conference or hearing session conducted. A pre-hearing conference and hearing session is any meeting between the parties and the Panel or the Parties and the Chair. The following fees are assessed:

Three (3) Pre-hearing conference sessions with the Chair @ \$450.00/session	= \$ 1,350.00
Pre-hearing conferences: March 31, 2004	2 sessions
April 02, 2004	1 session

One (1) Pre-hearing conference session with the Panel @ \$1,200.00/session	= \$ 1,200.00
Pre-hearing conference: July 30, 2003	1 session

Twenty (20) Hearing sessions @ \$1,200.00/session	= \$24,000.00
Hearings: May 03, 2004	2 sessions
May 04, 2004	2 sessions
May 05, 2004	2 sessions
May 06, 2004	2 sessions
May 07, 2004	2 sessions
May 10, 2004	2 sessions
July 8, 2004	2 sessions
July 9, 2004	2 sessions

September 20, 2004	2 sessions
September 21, 2004	2 sessions

Total Forum Fees = **\$26,550.00**

1. The Panel assessed \$ 13,275.00 of the forum fees jointly and severally to Claimants.
2. The Panel assessed \$ 13,275.00 of the forum fees jointly and severally to Respondents.

Administrative Costs

Administrative costs are expenses incurred because a party requested additional services beyond the normal administrative services. These additional services include, but are not limited to, additional copies of arbitrator awards, copies of audio transcripts, retrieval of documents from archives, interpreters, security, and sundry other requests.

Claimants requested copies of arbitrator awards: = \$ 55.00

Fee Summary

1. Claimants are charged jointly and severally with the following fees and costs:

Initial Filing Fee	= \$ 600.00
Administrative Costs	= \$ 55.00
<u>Forum Fees</u>	= <u>\$13,275.00</u>
Total Fees	= \$13,930.00
<u>Less payments</u>	= <u>\$(1,855.00)</u>
Balance Due NASD Dispute Resolution	= \$ 12,075.00
2. Respondent Wells Fargo Securities, LLC is charged with the following fees and costs:

Member Fees	= \$ 8,550.00
<u>Less payments</u>	= <u>\$(8,550.00)</u>
Balance Due NASD Dispute Resolution	= \$ 0.00
3. Respondents Wells Fargo Securities, LLC, Michael A. Poutre, II, and Walter B. Terry, Jr. are charged jointly and severally with the following fees and costs:

Forum Fees	= \$13,275.00
<u>Less payments</u>	= <u>\$(0.00)</u>
Balance Due NASD Dispute Resolution	= \$13,275.00

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

ARBITRATION PANEL

Richard M. Norman	-	Public Arbitrator, Presiding Chair
Charles Chazen	-	Public Arbitrator
Dean Schneider	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures



Richard M. Norman
Chair, Public Arbitrator

9/21/04
Signature Date



Charles Chazen
Public Arbitrator

9/21/04
Signature Date



Dean Schneider
Non-Public Arbitrator

9-21-04
Signature Date

9/22/04
Date of Service