

Amended Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Gertrude E. Green, The Trudi & John Green Trust dtd 6/5/9, Claimants v. Rural Securities, Inc.,
Barron Chase Securities, Inc., FAS Wealth Management Services, Inc., Investors Street, Inc., and
Moises Ramos, Jr., Respondents

Case Number: 02-05241

Hearing Site: Los Angeles, California

Nature of the Dispute: Customers v. Members and Associated Person

REPRESENTATION OF PARTIES

For Claimants:

Dennis G. Merenbach, Esq.
Santa Barbara, California

For Respondents:

Barron Chase Securities, Inc.

Howard Feinmel
Barron Chase Securities, Inc.
Boca Raton, Florida

Rural Securities, Inc. and
Moises Ramos, Jr.

Robert B. Macaulay, Esq.
Mitrani, Rynor, Adamsky &
Macaulay, PA
Miami, Florida

FAS Wealth Management Services, Inc.

Gaeton S. Della Penna
FAS Wealth Management
Services, Inc.
Sarasota, Florida

Investors Street, Inc.

Luis G. Sarmiento
Investors Street, Inc.
Miami, Florida

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CASE INFORMATION

Statement of Claim filed: September 5, 2002

Claimants' Joint Uniform Submission Agreement signed: July 9, 2002

Joint Statement of Answer filed by Respondents Rural Securities, Inc. and Moises Ramos, Jr.:
November 4, 2002

Respondent Rural Securities, Inc.'s Uniform Submission Agreement signed: November 4, 2002

Respondent Moises Ramos, Jr.'s Uniform Submission Agreement signed: November 4, 2002

CASE SUMMARY

Claimants alleged breach of contract, margin calls, negligence, failure to supervise, breach of fiduciary duty, churning, omission of facts, manipulations, suitability, and unauthorized trading. Claimants' allegations involved unspecified securities.

Respondents Rural Securities, Inc. and Moises Ramos, Jr. denied the allegations of wrongdoing set forth in the Claimants' Statement of Claim.

RELIEF REQUESTED

Claimants requested \$32,759.00 in compensatory damages and \$100,000.00 in punitive damages against Respondents Barron Chase Securities, Inc. and Moises Ramos, Jr.

Claimants requested \$46,644.00 in compensatory damages and \$125,000.00 in punitive damages against Respondents FAS Wealth Management Services, Inc. and Moises Ramos, Jr.

Claimants requested \$630,275.00 in compensatory damages and \$1,800,000.00 in punitive damages against Respondents Rural Securities, Inc. and Moises Ramos, Jr.

Claimants requested \$32,182.00 in compensatory damages and \$100,000.00 in punitive damages against Respondents Investors Street, Inc. and Moises Ramos, Jr.

Claimants also requested pre- and post-judgment interest and costs, including attorney's fees.

Claimants requested triple damages in the alternative to punitive damages, as set forth in California's Elder Abuse Statutes.

Respondents Rural Securities, Inc. and Moises Ramos, Jr. requested dismissal of the Claimants'

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Statement of Claim in its entirety.

OTHER ISSUES CONSIDERED AND DECIDED

On March 5, 2004, Claimants withdrew all claims against Respondents Investors Street, Inc., FAS Wealth Management Services, Inc. and Barron Chase Securities, Inc.

On December 11, 2002, 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 February 19, 2003, Respondents Rural Securities, Inc. and Moises Ramos, Jr. 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 February 2, 2004, Claimants filed a Motion to Amend Statement of Claim pursuant to the NASD Code of Arbitration Procedure ("the Code") Rule 10328(b). On February 9, 2004, Respondents Rural Securities, Inc. and Moises Ramos, Jr. filed an opposition to Claimants' motion. On February 17, 2004, after due deliberation, the Panel denied Claimants' motion.

On February 18, 2004, Respondents' counsel notified NASD Dispute Resolution that due to the lack of financial resources on the part of Respondents Rural Securities, Inc. and Moises Ramos, Jr., said Respondents would not attend the evidentiary hearing. Upon review of the file, the undersigned Panel determined that Respondents Rural Securities, Inc. and Moises Ramos, Jr. were properly served with the Statement of Claim and received due notice of the evidentiary hearing, and that arbitration of the matter would proceed without said Respondents present, in accordance with the Code.

On April 13, 2004, Claimant made a post-hearing submission inquiring of the Panel whether the punitive damages award of \$1,200.00 issued on April 7, 2004 was correct or a typographical error. After review of the request and the Award issued on April 7, 2004, the Panel ruled that the Award issued contained a typographical error and should be amended to reflect a punitive damage award of \$1,200,000.00.

The parties agreed that the Award in this matter may be executed in counterpart copies or that a handwritten, signed Award may be entered.

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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) Respondents Rural Securities, Inc. and Moises Ramos, Jr. are jointly and severally liable to and shall pay Claimants the sum of \$445,000.00 in compensatory damages.
- 2) Respondents Rural Securities, Inc. and Moises Ramos, Jr. are jointly and severally liable to and shall pay Claimants interest in the amount of 10% per annum on \$445,000.00 from December 1, 2000, until the date payment of this Award is made in full.
- 3) Respondents Rural Securities, Inc. and Moises Ramos, Jr. are jointly and severally liable to and shall pay Claimants punitive damages in the amount of \$1,200,000.00 pursuant to California Civil Code Section 3345.
- 4) Respondent is liable to and shall pay Claimants the sum of \$500.00 as reimbursement for the NASD Dispute Resolution initial claim-filing fee.
- 5) The parties shall bear their respective attorney's fees.
- 6) 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	= \$ 500.00
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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 firms Rural Securities, Inc. and Investors Street, Inc. are parties and the following fees are assessed:

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Rural Securities, Inc.

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

Investors Street, Inc.

Member Surcharge	= \$ 1,700.00
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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 that lasts four (4) hours or less between the parties and the Chair or between the parties and the Panel. The following fees are assessed:

(2) Pre-hearing conference sessions with the Panel @ \$1,200.00/session	= \$ 2,400.00
Pre-hearing conferences: August 7, 2003 1 session	
October 10, 2003 1 session	

(1) Hearing session @ \$1,200.00/session	= \$ 1,200.00
Hearing: February 19, 2004 1 session	

Total Forum Fees	= \$ 3,600.00
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1. The Panel assessed \$ 2,400.00 of the forum fees jointly and severally to Respondents Rural Securities, Inc. and Moises Ramos, Jr.

2. The Panel waived the \$1,200.00 forum fee for the October 10, 2003 pre-hearing conference.

Fee Summary

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

Initial Filing Fee	= \$ 500.00
<u>Less payments</u>	= \$(1,700.00)
Refund Due Claimants	= \$(1,200.00)

2. Respondent Investors Street, Inc. is charged with the following fees and costs:

Member Fees	= \$ 1,700.00
<u>Less payments</u>	= \$ (0.00)
Balance Due NASD Dispute Resolution	= \$ 1,700.00

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3. Respondent Rural Securities, Inc. 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

4. Respondents Rural Securities, Inc. and Moises Ramos, Jr. are charged jointly and severally with the following fees and costs:

Forum Fees	= \$ 2,400.00
<u>Less payments</u>	<u>= \$ (0.00)</u>
Balance Due NASD Dispute Resolution	= \$ 2,400.00

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.

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ARBITRATION PANEL

<i>David J. Berardo</i>	-	<i>Public Arbitrator, Presiding Chair</i>
<i>Roy H. Aaron, Esq.</i>	-	<i>Public Arbitrator</i>
<i>W. Reece Bader, Esq.</i>	-	<i>Non-Public Arbitrator</i>

Concurring Arbitrators' Signatures

David J. Berardo
Chair, Public Arbitrator

Signature Date

Roy H. Aaron, Esq.
Public Arbitrator

Signature Date

W. Reece Bader, Esq.
Non-Public Arbitrator

Signature Date

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David J. Berardo

Roy H. Aaron, Esq.

W. Reece Bader, Esq.

Public Arbitrator, Presiding Chair

Public Arbitrator

Non-Public Arbitrator

Concurring Arbitrators' Signatures



David J. Berardo
Chair, Public Arbitrator

5/5/04

Signature Date

Roy H. Aaron, Esq.
Public Arbitrator

Signature Date

W. Reece Bader, Esq.
Non-Public Arbitrator

Signature Date

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Public Arbitrator, Presiding Chair

Roy H. Aaron, Esq.

-

Public Arbitrator

W. Reece Bader, Esq.

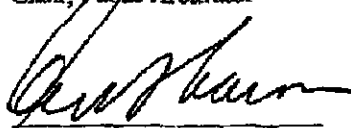
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Non-Public Arbitrator

Concurring Arbitrators' Signatures

David J. Berardo
Chair, Public Arbitrator

Signature Date



Roy H. Aaron, Esq.
Public Arbitrator



Signature Date

W. Reece Bader, Esq.
Non-Public Arbitrator

Signature Date

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Public Arbitrator, Presiding Chair

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Non-Public Arbitrator

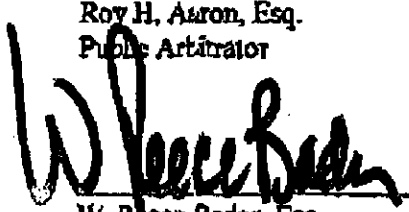
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David J. Berardo
Chair, Public Arbitrator

Signature Date

Roy H. Aaron, Esq.
Public Arbitrator

Signature Date



W. Reece Bader, Esq.
Non-Public Arbitrator



Signature Date



Date of Service