

**STIPULATED AWARD
NASD Dispute Resolution**

In the Matter of the Arbitration Between

Claimant

United Securities Alliance, Inc.

v.

02-05328

Denver, Colorado

Respondent

Nancy A. Hughes

Nature of Dispute: Member v. Associated Person

REPRESENTATION OF PARTIES

United Securities Alliance, Inc. ("Claimant") was represented by Carla B. Minckley, Esq., of Birge & Minckley, P.C., Denver, Colorado.

Nancy A. Hughes ("Respondent") appeared pro se.

CASE INFORMATION

The Statement of Claim was filed on or about September 6, 2002. Submission Agreement of Claimant was signed on or about September 6, 2002.

A Statement of Answer was filed by Respondent Nancy A. Hughes on or about January 15, 2003. Submission Agreement of Respondent Nancy A. Hughes was signed on or about January 15, 2003.

CASE SUMMARY

Claimant asserted the following cause of action: breach of promissory note. The cause of action related to Respondent Hughes' alleged breach of the terms of an employee forgivable loan after her employment ended at United Securities Alliance, Inc.

Respondent denied the allegations set forth in the Statement of Claim.

RELIEF REQUESTED

Claimant requested an award in the amount of \$30,395.05 in actual damages. In addition, Claimant requested interest, costs, attorney's fees and any other relief that the Panel deemed just and equitable.

Respondent requested that the claims asserted against her be denied in their entirety and that she be awarded her costs and attorneys' fees.

OTHER ISSUES CONSIDERED & DECIDED

Claimant United Securities Alliance, Inc., and Respondent, Nancy A. Hughes have entered in to a confidential settlement agreement, and wish for it to be incorporated into a Stipulated Award.

The parties have agreed that the Award in this matter may be executed in counterpart copies or that a handwritten, signed Stipulated Award may be entered. In either case, the parties have agreed to receive conformed copies of the award while the originals remain on file with NASD Dispute Resolution ("NASD").

AWARD

After considering the pleadings and the parties' submissions and representations, but without making any findings of fact or conclusions of law, the undersigned arbitrators orders as follows:

1. Respondent Nancy A. Hughes is liable for and shall pay to Claimant, United Securities Alliance, Inc., the amount of \$24,405.09 in compensatory damages, costs, and interest payable pursuant to the following:
 - a. Five (5) payments of \$200.00 per month beginning August 15, 2003;
 - b. Twenty-Four (24) payments of \$500.00 per month beginning January 15, 2004; and
 - c. One final payment of \$11,405.09 on or before January 15, 2006.
2. Should Hughes fail to make the payments as described above, Hughes agrees to the entry of and collection of this Stipulated Award, including the outstanding principle balance of \$24,405.29, less any payments made, plus interest at 8% per annum from date of default, plus costs of collection, and reasonable attorney fees incurred in collecting on this Stipulated Award;
3. Any amounts paid to Claimant shall be applied as an offset to the Stipulated Award, but Hughes waives all defenses except the application of an offset for payments made. Hughes agrees to pay reasonable attorneys fees and costs incurred in the filing and collection of this Stipulated Award;

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution will retain the non-refundable filing fee for each claim:

Initial claim filing fee = \$ 1,000

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 person at the time of the events giving rise to the dispute. In this matter, the member firm is United Securities Alliance, Inc.

Member surcharge = \$ 875
Pre-hearing process fee = \$ 750
Hearing process fee = \$ 1,000

Forum Fees and Assessments

The Arbitration Panel assesses forum fees for each hearing session conducted. A hearing 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 x \$ 600 = \$ 600

Pre-hearing conference: 05/13/2003 1 session

Total Forum Fees = \$ 600

The Arbitration Panel has assessed \$ 300 of the forum fees to United Securities Alliance, Inc.

The Arbitration Panel has assessed \$ 300 of the forum fees to Nancy A. Hughes.

Fee Summary

Claimant, United Securities Alliance, Inc. is liable for:

Initial Filing Fee	= \$ 1,000
Member Fees	= \$ 2,625
Forum Fees	= \$ 300
Total Fees	= \$ 3,925
Less payments	= \$ 4,225
Balance Refunded By NASD Dispute Resolution	= \$ 300

Respondent, Nancy A. Hughes, is liable for:

Forum Fees	= \$ 300
Total Fees	= \$ 300
Less payments	= \$ 0
Balance Due NASD Dispute Resolution	= \$ 300

All balances are due to NASD Dispute Resolution pursuant to Rule 10330(g) of the Code of Arbitration

ARBITRATION PANEL

Edward F. Altman - Non-Public Arbitrator, Presiding Chair
Harold C. Jones - Non-Public Arbitrator
Richard M. Reider- Non-Public Arbitrator

Concurring Arbitrators:

Edward F. Altman
Non-Public Arbitrator, Presiding Chair

Signature Date

Harold C. Jones
Non-Public Arbitrator

Signature Date

Richard M. Reider
Non-Public Arbitrator

Signature Date

2/14/04
Date of Service (NASD use only)

Initial Filing Fee	= \$ 1,000
Member Fees	= \$ 2,625
Forum Fees	= \$ 300
Total Fees	= \$ 3,925
Less payments	= \$ 4,225
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Respondent, Nancy A. Hughes, is liable for:

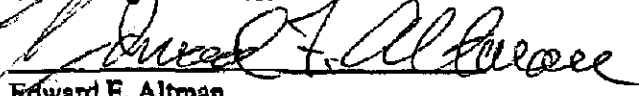
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Harold C. Jones - Non-Public Arbitrator
Richard M. Reider - Non-Public Arbitrator

Concurring Arbitrators:


Edward F. Altman
Non-Public Arbitrator, Presiding Chair

2-8-2004
Signature Date

Harold C. Jones
Non-Public Arbitrator

Signature Date

Richard M. Reider
Non-Public Arbitrator

Signature Date

2/14/04
Date of Service (NASD use only)

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Concurring Arbitrators:

Edward F. Altman
Non-Public Arbitrator, Presiding Chair

Signature Date

Harold C. Jones
Non-Public Arbitrator

2-5-04
Signature Date

Richard M. Reider
Non-Public Arbitrator

Signature Date

2/19/04
Date of Service (NASD use only)

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Richard M. Reider - Non-Public Arbitrator

Concurring Arbitrators:

Edward F. Altman
Non-Public Arbitrator, Presiding Chair

Signature Date

Harold C. Jones
Non-Public Arbitrator

Signature Date



Richard M. Reider
Non-Public Arbitrator

2/16/04

Signature Date

2/16/04

Date of Service (NASD use only)