
Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Names of the Claimants

Joan J. Cantor
Rodney H. Jaeger

Case Number: 02-05387

Names of the Respondents

Intersecurities, Inc.
W.S. Griffith & Co.
Craig S. Galatas
Manulife Financial Securities, L.L.C.

Hearing Site: New Orleans, Louisiana

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

REPRESENTATION OF PARTIES

For Joan J. Cantor and Rodney H. Jaeger, hereinafter collectively referred to as "Claimants":
Perry R. Staub, Jr., Esq., Taggart, Morton, Ogden, Staub, Rougelot & O'Brien, L.L.C., New Orleans, Louisiana.

For Respondents Craig S. Galatas ("Galatas") and Intersecurities, Inc. ("ISI"): George Denegre, Jr., Esq., Liskow & Lewis, P.L.C., Lafayette, Louisiana.

For Respondent W.S. Griffith & Co. ("WSG"): John A. Stewart, Jr., Esq. and Randall L. Kleinman, Esq., Hulse & Wanek, P.L.C., Covington, Louisiana.

For Respondent Manulife Financial Securities, L.L.C. ("MFS"): William E. Wright, Jr., Esq. and Anne B. Rappold, Esq., Deutsch, Kerrigan & Stiles, L.L.P., New Orleans, Louisiana.

CASE INFORMATION

Statement of Claim filed on or about: September 10, 2002.

Claimant Rodney H. Jaeger signed the Uniform Submission Agreement: October 5, 2002.

Claimant Joan J. Cantor signed the Uniform Submission Agreement: October 4, 2002.

Respondent MFS filed a Statement of Answer on or about: December 6, 2002.

Respondent MFS signed the Uniform Submission Agreement: December 5, 2002.

Respondent WSG filed a Statement of Answer on or about: December 19, 2002.

Respondent WSG signed the Uniform Submission Agreement: January 21, 2003.

Respondents ISI and Galatas filed a Statement of Answer on or about: December 5, 2002.

Respondent ISI signed the Uniform Submission Agreement: October 23, 2002.

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

Respondent ISI filed a Motion to Dismiss Claimants' Statement of Claim against ISI on or about: December 5, 2002.

Claimants filed a Response to Respondent ISI's Motion to Dismiss on or about: May 13, 2003.

Respondent MFS filed a Motion and Incorporated Memorandum to Dismiss Claimants' Claims Against MFS on or about: October 27, 2003.

Claimants filed a Motion and Order to Amend Original Petition/Statement of Claims on or about: December 3, 2003.

CASE SUMMARY

Claimants asserted the following causes of action: negligent and intentional misrepresentation and tortious conduct by Respondent MFS; intentional and negligent actions by Respondent Galatas; vicarious liability by Respondents WSG and ISI for acts and omissions of their employee; and negligent hiring and supervision by Respondents WSG and Intersecurities. The causes of action relate to the purchase of a Manulife Financial Vision combination fixed and variable annuity in Claimants' account.

Unless specifically admitted in their respective Answers, Respondents denied the allegations made in the Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

Claimants requested actual damages of \$65,000.00, all general and equitable relief permitted by law or equity, including but not limited to attorneys' fees, judicial and contractual interest, and all other relief permissible.

Respondent MFS requested the Panel to enter a judgment in its favor, costs, and all further and equitable relief to which it may be entitled.

Respondent WSG requested the Panel to dismiss the Statement of Claim in its entirety, a judgment entered in its favor, and costs.

Respondents Galatas and ISI requested dismissal of the Statement of Claim, costs, and expungement of this claim from Respondent Galatas' NASD Central Registration Depository ("CRD") records.

OTHER ISSUES CONSIDERED AND DECIDED

On or about May 28, 2003, the Panel issued an order which denied Respondent ISI's Motion to Dismiss Claimants' Statement of Claim.

On or about March 16, 2004, the parties submitted a joint motion to the undersigned arbitrators (the "Panel") by means of a consent order (the "Consent Order") requesting dismissal of Claimants' claims and the entry of an Award recommending the expungement of all references to the above-referenced arbitration from the NASD CRD records of Respondent Galatas.

The parties agreed to dismiss this matter before the Panel ruled on Respondent MFS's Motion and Incorporated Memorandum to Dismiss Claimants' Statement of Claim and Claimants' Motion and Order to Amend Original Petition/Statement of Claims.

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

AWARD

After considering the pleadings and proposed Consent Order, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

The arbitration is dismissed, with prejudice.

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

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	= \$ 225.00
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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. Accordingly, Respondents ISI, WSG, and MFS are member firms and parties.

Member surcharge	= \$ 1,100.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$ 1,700.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

November 19 and 20, 2003, adjournment by Claimants.	= \$ 750.00
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The Panel assessed the adjournment fee of \$750.00 to Respondents, jointly and severally.

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 assessed during these proceedings.

Forum Fees and Assessments

The Panel 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 hours or less.

Two (2) Pre-hearing sessions with a single arbitrator @ \$450.00	= \$ 900.00
Pre-hearing conferences:	
October 1, 2003	1 session
October 16, 2003	1 session

One (1) Pre-hearing session with the Panel @ \$750.00	= \$ 750.00
Pre-hearing conference: May 20, 2003	1 session

Total Forum Fees	= \$ 1,650.00
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**The Panel has assessed \$825.00 of the forum fees jointly and severally to Claimants.
The Panel has assessed \$825.00 of the forum fees jointly and severally to Respondents.**

Administrative Costs

Administrative costs are 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 during this proceeding.

Fee Summary

Claimants are jointly and severally liable for:

Initial Filing Fee	= \$ 225.00
Forum Fees	= \$ 825.00
Total Fees	= \$ 1,050.00
Less Payments	= \$ 975.00
Balance Due NASD Dispute Resolution	= \$ 75.00

Respondent ISI is solely liable for:

Member Fees	= \$ 3,550.00
Total Fees	= \$ 3,550.00
Less Payments	= \$ 3,550.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondent WSG is solely liable for:

Member Fees	= \$ 3,550.00
Total Fees	= \$ 3,550.00
Less Payments	= \$ 3,550.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondent MFS is solely liable for:

<u>Member Fees</u>	= \$ 3,550.00
<u>Total Fees</u>	= \$ 3,550.00
<u>Less Payments</u>	= \$ 0.00
<u>Balance Due NASD Dispute Resolution</u>	= \$ 3,550.00

Respondents Galatas, ISI, WSG, and MFS are jointly and severally liable for:

<u>Adjournment Fee</u>	= \$ 750.00
<u>Forum Fees</u>	= \$ 825.00
<u>Total Fees</u>	= \$ 1,575.00
<u>Less Payments</u>	= \$ 0.00
<u>Balance Due NASD Dispute Resolution</u>	= \$ 1,575.00

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

ARBITRATION PANEL

John Whitney, Esq.	-	Public Arbitrator, Presiding Chairperson
Simeon E. Reimonenq, Jr., Esq.	-	Public Arbitrator
John J. Meyer, CLU	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

John Whitney, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date

/s/
Simeon E. Reimonenq, Jr., Esq.
Public Arbitrator

Signature Date

/s/
John J. Meyer, CLU
Non-Public Arbitrator

Signature Date

May 3, 2004
Date of Service (For NASD Dispute Resolution office use only)

NASD Dispute Resolution
Arbitration No. 02-05387
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Respondent MFS is solely liable for:

<u>Member Fees</u>	= \$ 3,550.00
<u>Total Fees</u>	= \$ 3,550.00
<u>Less Payments</u>	= \$ 0.00
<u>Balance Due NASD Dispute Resolution</u>	= \$ 3,550.00

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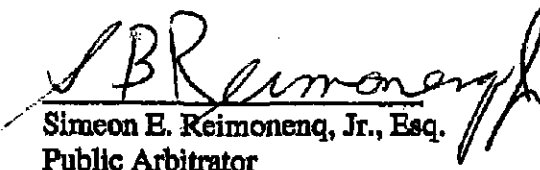
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Signature Date



Simeon E. Reimonenq, Jr., Esq.
Public Arbitrator

4/21/04

Signature Date

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NASD Dispute Resolution
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Stipulated Award Page 5 of 5

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 Public Arbitrator

 Signature Date


 John J. Meyer, CLU
 Non-Public Arbitrator

4/21/2004
 Signature Date

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