

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Christophe Perillat and Quitterie Perillat (Claimants) v. Taylor Stuart Financial, Inc. and Patrick Joseph O'Connor (Respondents)

Case Number: 02-05468

Hearing Site: New York, New York

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

REPRESENTATION OF PARTIES

Claimants Christophe Perillat ("C. Perillat") and Quitterie Perillat ("Q. Perillat") hereinafter collectively referred to as "Claimants": Robert F. Finkelstein, Esq., Allegaert Berger & Vogel, LLP, New York, NY.

Respondent Taylor Stuart Financial, Inc. ("Taylor"): Did not appear at the hearing. Previously represented by Eileen Moore, Director of Compliance, Taylor Stuart Financial, Inc., Great Neck, NY.

Respondent Patrick Joseph O'Connor ("O'Connor"): Alan P. Fraade, Esq., Mintz & Fraade, P.C., New York, NY. Previously represented by: Eileen Moore, Director of Compliance, Taylor Stuart Financial, Inc., Great Neck, NY.

Taylor and O'Connor are hereinafter collectively referred to as "Respondents".

CASE INFORMATION

Statement of Claim filed on or about: September 13, 2002.

C. Perillat signed the Uniform Submission Agreement: September 10, 2002.

Q. Perillat signed the Uniform Submission Agreement: September 10, 2002.

Joint Statement of Answer filed by Respondents on or about: December 12, 2002.

Statement of Answer filed by Respondent O'Connor on or about: July 24, 2003.

Respondent Taylor signed the Uniform Submission Agreement: December 11, 2002.

Respondent O'Connor signed the Uniform Submission Agreement: July 2, 2003.

CASE SUMMARY

Claimants asserted the following causes of action: fraud; breach of fiduciary duty; negligence; and breach of contract. Claimants' claim involved unspecified securities.

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

Unless specifically admitted in his Answer, Respondent O'Connor denied the allegations made in the Statement of Claim and asserted various affirmative defenses. In his Cross-Claim, Respondent O'Connor asserted the following cause of action: indemnification.

RELIEF REQUESTED

Claimants requested compensatory damages in the amount of \$300,000.00; punitive damages in an amount no less than \$1 million; costs, including reasonable attorneys' fees; and such other relief as the Panel deems just and proper.

In their Answer, Respondents requested that the Arbitration Panel dismiss the Statement of Claim in its entirety with all costs charged against Claimants, and grant Respondents such other and further relief as the Panel deems just and proper.

In his Answer and Cross-Claim, Respondent O'Connor requested that the Arbitration Panel dismiss the Statement of Claim in its entirety and declare O'Connor not liable to the Claimants in any respect, in law or equity, upon the evidence presented; award attorneys' fees and costs to O'Connor; if O'Connor is found liable for any of Claimants' damages, O'Connor is entitled to recover such amounts from Respondent Taylor; and grant such other and further relief as deemed appropriate.

OTHER ISSUES CONSIDERED AND DECIDED

Upon review of the file and the representations on behalf of the Claimants, the undersigned arbitrators (the "Panel") determined that Respondents have been properly served with the Statement of Claim and received due notice of the hearing and that arbitration of the matter would proceed without said Respondents present, in accordance with the NASD Code of Arbitration Procedure (the "Code").

At the hearing, Claimant withdrew their claims against Respondent O'Connor as Claimants entered into a settlement with him. In addition, Respondent O'Connor withdrew his Cross-Claim against Respondent Taylor.

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

1. Claimants' claims are dismissed in their entirety.
2. Any and all relief not specifically addressed herein, including punitive damages, is denied.

FEES

Pursuant to 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	= \$500.00
Cross-Claim filing fee	= \$500.00

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. Accordingly, Taylor Stuart Financial, Inc. is a party.

Member surcharge	= \$2,800.00
Pre-hearing process fee	= \$ 750.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

January 27, 28, and 29, 2004 adjournment by Claimants	= Waived
January 27, 28, and 29, 2004 adjournment by O'Connor	= Waived

Forum Fees and Assessments

The Panel has assessed forum fees for each session conducted. A 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:

Three (3) Pre-hearing sessions with Panel @ \$1,200.00	= \$3,600.00
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Pre-hearing conferences:	May 14, 2003	1 session
	November 11, 2003	1 session
	April 13, 2004	1 session

Two (2) Hearing sessions @ \$1,200.00	= \$2,400.00
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Hearing Date:	April 14, 2004	2 sessions
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Total Forum Fees	= \$6,000.00
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1. The Panel has assessed \$3,000.00 of the forum fees jointly and severally against Claimants.
2. The Panel has assessed \$1,200.00 of the forum fees jointly and severally against Respondents.
3. The Panel has assessed \$1,800.00 of the forum fees solely against Taylor.

Fee Summary

1. Claimants are jointly and severally liable for:

Initial Filing Fee	= \$ 500.00
<u>Forum Fees</u>	<u>= \$3,000.00</u>
Total Fees	= \$3,500.00
<u>Less payments</u>	<u>= \$1,700.00</u>
Balance Due NASD Dispute Resolution	= \$1,800.00
2. Respondent Taylor is solely liable for:

Member Fees	= \$3,550.00
<u>Forum Fees</u>	<u>= \$1,800.00</u>
Total Fees	= \$5,350.00
<u>Less payments</u>	<u>= \$ 0.00</u>
Balance Due NASD Dispute Resolution	= \$5,350.00
3. Respondent O'Connor is solely liable for:

<u>Cross-Claim Filing Fee</u>	<u>= \$ 500.00</u>
Total Fees	= \$ 500.00
<u>Less payments</u>	<u>= \$ 500.00</u>
Balance Due NASD Dispute Resolution	= \$ 0.00
4. Respondents are jointly and severally liable for:

<u>Forum Fees</u>	<u>= \$1,200.00</u>
Total Fees	= \$1,200.00
<u>Less payments</u>	<u>= \$1,200.00</u>
Balance Due NASD Dispute Resolution	= \$ 0.00

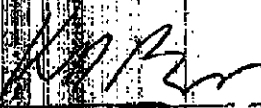
All balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

Kathy D. Parr, Esq.	-	Public Arbitrator, Presiding Chair
Melvin Lyon	-	Public Arbitrator
Virginia Kali Sourlis, Esq.	-	Non-Public Arbitrator

Contending Arbitrators' Signatures

I, the undersigned arbitrator, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument, which is my award.



Kathy D. Parr, Esq.
Public Arbitrator, Presiding Chairperson

04/30/04

Signature Date

Melvin Lyon
Public Arbitrator

Signature Date

Virginia Kali Sourlis, Esq.
Non-Public Arbitrator

Signature Date

May 6, 2004

Date of Service (For NASD Dispute Resolution use only)

ARBITRATION PANEL

Keely D. Parr, Esq.	-	Public Arbitrator, Presiding Chair
Melvin Lyon	-	Public Arbitrator
Virginia Kali Sourlis, Esq.	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

I, the undersigned arbitrator, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument, which is my award.

Keely D. Parr, Esq.
Public Arbitrator, Presiding Chairperson

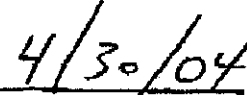
Signature Date

Melvin Lyon
Public Arbitrator

Signature Date



Virginia Kali Sourlis, Esq.
Non-Public Arbitrator



Signature Date

May 6, 2004

Date of Service (For NASD Dispute Resolution use only)