

**STIPULATED AWARD
NASD Dispute Resolution**

In the Matter of the Arbitration Between

Claimants

Alexei Gusarov and Sandra Gusarov

v.

02-05699
Denver, Colorado

Respondents

Multi-Financial Securities Corporation
and Matthew D. Hickey

Nature of Dispute: Customers v. Member and Associated Person

REPRESENTATION OF PARTIES

Alexei Gusarov and Sandra Gusarov ("Claimants") were represented by Brad S. Maistrow, Esq., of Snow Becker Krauss, P.C., New York City, New York.

Multi-Financial Securities Corporation ("Multi-Financial") and Matthew D. Hickey ("Hickey"), hereinafter referred to as ("Respondents"), were represented by Matthew Tracy, Esq., of Winget, Spadafora & Schwartzberg, LLP., New York City, New York.

CASE INFORMATION

The Statement of Claim was filed on or about September 25, 2002. The Submission Agreements of Claimants were signed on or about August 18, 2002.

A Joint Statement of Answer was filed by Respondents Multi-Financial Securities Corporation and Matthew D. Hickey on or about December 17, 2002.

Respondents filed a Motion to Dismiss on or about December 17, 2002. Claimants filed a Response in Opposition to Respondents' Motion to Dismiss on or about March 7, 2003. Respondents filed a Reply in Support of their Motion to Dismiss on or about April 11, 2003. Claimants filed a Sur-Reply to the Motion to Dismiss on or about April 25, 2003.

CASE SUMMARY

Claimants asserted causes of action including the following: suitability, breach of fiduciary duty, failure to supervise and violations of securities regulation rules. The causes of action related to Claimants' allegation that Respondents recommended the purchase of various unspecified Class B mutual funds, which, according to Claimant, were unsuitable. Claimants asserted that Class A

mutual funds would have been a more suitable investment given their financial objectives. Claimants further alleged that the recommendation of the Class B mutual funds was based on the highest commissions paid by the mutual fund families and not the best performing investments. Claimants also asserted that Respondents did not diversify Claimants' investments.

Respondents denied the allegations set forth in the Statement of Claim and asserted affirmative defenses including the following: Claimants approved, authorized and ratified that acts complained of, and accordingly are precluded from asserting claims based on those decisions as a basis for recovery; any losses that Claimants sustained resulted solely from the vagaries and volatilities of the securities markets, and not from any purported wrongdoings by Respondents; Claimants' investment portfolio must be considered in its entirety, and not just with respect to selected investments; and Claimants' claims are barred by the doctrines of estoppel, waiver, ratification and laches.

RELIEF REQUESTED

Claimants requested an award in the amount of \$226,000 in compensatory damages, plus, interest, punitive damages, attorney's fees, costs and any other relief that the Panel deemed just and equitable.

Respondents requested that the claims asserted against them be denied in their entirety and that they be awarded their costs and attorneys' fees. In addition, Respondents requested that this matter be expunged from Respondent Matthew D. Hickey's permanent registration record maintained by the Central Registration Depository ("CRD").

OTHER ISSUES CONSIDERED & DECIDED

Respondents Multi-Financial Securities Corporation and Matthew D. Hickey did not file with NASD Dispute Resolution properly executed Uniform Submission Agreements but are required to submit to arbitration pursuant to the Code and having answered the claim and appeared through counsel are bound by the determination of the Panel on all issues submitted.

Prior to the hearing, the Parties fully and finally settled all claims by and between them. As part of their settlement agreement, the parties submit this Stipulated Award to the Panel for its consideration and request that it be entered.

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. Claimants' claims having been withdrawn, are hereby dismissed with prejudice in their

entirety;

2. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Matthew D. Hickey's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notices to Members 99-09 and 99-54, Respondent Matthew D. Hickey must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive;
3. To the extent not specifically awarded or otherwise provided for above, all other claims and requests for relief by any party hereto, including punitive damages, are denied with prejudice and;
4. Other than the Forum Fees noted below, the parties shall each bear all other costs and expenses incurred by them in connection with this proceeding, including but not limited to attorneys' fees.

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 = \$ 300

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 Multi-Financial Securities Corporation.

Member surcharge	= \$ 1,700
Pre-hearing process fee	= \$ 750
Hearing process fee	= \$ 2,750

Adjournment Fees

Adjournments granted during these proceedings:

November 19-21, 2003, adjournment jointly requested by all parties

Fee Waived by the Panel = \$ 1,125

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:

Two (2) Pre-hearing sessions with Panel x \$ 1,125 = \$ 2,250

Pre-hearing conferences:	04/14/2003	1 session
	02/04/2004	1 session

Total Forum Fees = \$ 2,250

The Arbitration Panel has assessed \$ 1,125 of the forum fees jointly and severally to Alexei Gusarov and Sandra Gusarov.

The Arbitration Panel has assessed \$ 1,125 of the forum fees jointly and severally to Multi-Financial Securities Corporation and Matthew D. Hickey.

Fee Summary

Claimants, Alexei Gusarov and Sandra Gusarov are jointly and severally liable for:

Initial Filing Fee	= \$ 300
Forum Fees	= \$ 1,125
Total Fees	= \$ 1,425
Less payments	= \$ 1,425
Balance Due NASD Dispute Resolution	= \$ 0

Respondent, Multi-Financial Securities Corporation, is liable for:

Member Fees	= \$ 5,200
Total Fees	= \$ 5,200
Less payments	= \$ 5,200
Balance Due NASD Dispute Resolution	= \$ 0

Respondents, Multi-Financial Securities Corporation and Matthew D. Hickey are jointly and severally liable for:

Forum Fees	= \$ 1,125
Total Fees	= \$ 1,125
Less payments	= \$ 0
Balance Due NASD Dispute Resolution	= \$ 1,125

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

ARBITRATION PANEL

Arthur E. Otten, Jr., Esq. - Public Arbitrator, Presiding Chair
William Joseph Lippman, Esq. - Public Arbitrator
Edward F. Altman - Non-Public Arbitrator

Concurring Arbitrators:

Arthur E. Otten, Jr., Esq.
Public Arbitrator, Presiding Chair

Signature Date

William Joseph Lippman, Esq.
Public Arbitrator

Signature Date

Edward F. Altman
Non-Public Arbitrator

Signature Date

2/23/04
Date of Service (NASD use only)

Forum Fees	= \$ 1,125
Total Fees	= \$ 1,125
Less payments	= \$ 0
Balance Due NASD Dispute Resolution	= \$ 1,125

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William Joseph Lippman, Esq. - Public Arbitrator
Edward F. Altman - Non-Public Arbitrator

Concurring Arbitrators:

Arthur E. Otten, Jr.

Arthur E. Otten, Jr., Esq.
Public Arbitrator, Presiding Chair

8/19/04
Signature Date

William Joseph Lippman, Esq.
Public Arbitrator

Signature Date

Edward F. Altman
Non-Public Arbitrator

Signature Date

2/22/04
Date of Service (NASD use only)

Forum Fees	= \$ 1,125
Total Fees	= \$ 1,125
Less payments	= \$ 0
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Edward F. Altman - Non-Public Arbitrator

Concurring Arbitrators:

Arthur E. Otten, Jr., Esq.
Public Arbitrator, Presiding Chair

William Joseph Lippman
William Joseph Lippman, Esq.
Public Arbitrator

Signature Date

9/18/04
Signature Date

Edward F. Altman
Non-Public Arbitrator

Signature Date

8/22/04
Date of Service (NASD use only)

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Total Fees	= \$ 1,125
Less payments	= \$ 0
Balance Due NASD Dispute Resolution	= \$ 1,125

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William Joseph Lippman, Esq. - Public Arbitrator
Edward F. Altman - Non-Public Arbitrator

Concurring Arbitrators:

Arthur E. Otten, Jr., Esq.
Public Arbitrator, Presiding Chair

Signature Date

William Joseph Lippman, Esq.
Public Arbitrator

Signature Date


Edward F. Altman
Non-Public Arbitrator

5-23-2004
Signature Date

8/22/04
Date of Service (NASD use only)