

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Elma Baia (Claimant) vs. HSBC Brokerage (USA), Inc., (Respondent)

Case Number: 02-05976

Hearing Site: New York, New York

REPRESENTATION OF PARTIES

Claimant, Elma Baia, hereinafter referred to as "Claimant": Peter S. Pearlman, Esq.,
Cohn Lifland Pearlman Herrmann & Knopf, Saddle Brook, NJ.

Respondent, HSBC Brokerage (USA) Inc., hereinafter referred to as "Respondents":
Paul K. Stecker, Esq., Phillips Lytle Hitchcock Blaine & Huber Esq., Buffalo, NY.

CASE INFORMATION

Statement of Claim filed on: October 2, 2002.

Claimant signed the Uniform Submission Agreement: September 30, 2002.

Statement of Answer filed by Respondent on: December 2, 2002.

Respondent signed the Uniform Submission Agreement: November 5, 2002.

CASE SUMMARY

Claimant asserted the following causes of action: unsuitability and negligence.
Claimant's claim involved the following products: Alliance Quasar, Alliance New Europe,
Alliance Fund, John Hancock Core Equities.

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

RELIEF REQUESTED

Claimant requested compensatory damages in the sum amount of \$94,000.00 plus
unliquidated punitive damages; compensation for all damages suffered, together with
costs of the arbitration proceeding, forum fees, arbitrators' fees and counsel fees.

Respondent requested that Claimant's claims be dismissed in their entirety, together with
all costs and attorney's fees as well as any other relief that the panel deems just.

OTHER ISSUES CONSIDERED AND DECIDED

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. HSBC Brokerage (USA), Inc. is liable for and shall pay to Claimant, Elma Baia, and compensatory damages in the amount of \$33,500.00.
2. Any and all relief not specifically addressed herein, including punitive damages are 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	= \$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 firms that employed the associated persons at the time of the events giving rise to the dispute. Accordingly, HSBC Brokerage (USA), Inc., is a party.

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

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:

One (1) Pre-hearing session with Panel @ \$750.00	= \$750.00
Pre-hearing conference: May 9, 2003	1 session

Three (3) Hearing sessions with Panel @ \$750.00	= \$2,250.00
Hearing Dates: September 2, 2003	2 sessions
September 3, 2003	1 session
<hr/> Total Forum Fees	<hr/> = \$3,000.00

1. The Panel has assessed \$1,500.00 of the forum fees against Claimant.
2. The Panel has assessed \$1,500.00 of the forum fees against HSBC Brokerage (USA), Inc.

Fee Summary

1. Claimant is solely liable for:

Initial Filing Fee	= \$ 225.00
Forum Fees	= \$ 1,500.00
<hr/> Total Fees	<hr/> = \$ 1,725.00
<u>Less payments</u>	<u>= \$ 975.00</u>
Balance Due NASD Dispute Resolution	= \$ 750.00
2. HSBC Brokerage (USA), Inc., is solely liable for:

Member Fees	= \$3,550.00
Forum Fees	= \$1,500.00
<hr/> Total Fees	<hr/> = \$5,050.00
<u>Less payments</u>	<u>= \$3,550.00</u>
Balance Due NASD Dispute Resolution	= \$1,500.00


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

ARBITRATION PANEL

Cynthia H. Plishtin	-	Public Arbitrator, Presiding Chair
Ann Pinciss Berman, Esq.	-	Public Arbitrator
Ann Wickham Boyle	-	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.


Cynthia H. Plishtin
Public Arbitrator, Presiding Chairperson

Signature Date

Ann Pinciss Berman, Esq.
Public Arbitrator

Signature Date

Ann Wickham Boyle
Non-Public Arbitrator

Signature Date

October 3, 2003

Date of Service (For NASD Dispute Resolution use only)

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Ann Pinciss Berman, Esq.	-	Public Arbitrator
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Cynthia H. Plishtin
Public Arbitrator, Presiding Chairperson

Signature Date



Ann Pinciss Berman, Esq.
Public Arbitrator

10-02-03

Signature Date

Ann Wickham Boyle
Non-Public Arbitrator

Signature Date

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