

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Names of the Claimants

Case Number: 02-06007

Philip Aronson and
Jean Aronson

Names of the Respondents

Hearing Site: Boca Raton, Florida

Costa Financial Group, Inc.,
a Florida corporation, and Andrew
Costa, individually

Nature of Dispute: Customer vs. Non-Member and Associated Person.

REPRESENTATION OF PARTIES

For Philip Aronson and Jean Aronson, hereinafter collectively referred to as "Claimants": Mark F. Raymond Esq., Rhett Traband, Esq., Daniel S. Newman, Esq. and Jeffrey D. DeCarlo, Esq., Tew Cardenas Rebak Kellogg Lehman DeMaria Tague Raymond & Levine, L.L.P., Miami, Florida.

For Costa Financial Group, Inc., a Florida corporation ("CFG"), and Andrew Costa, individually ("Costa"), hereinafter collectively referred to as "Respondents": Wayne H. Schwartz, Esq., Adorno & Yoss, P.A., Ft. Lauderdale, Florida until his withdrawal of counsel on or about April 7, 2003. Thereafter, Andrew Costa, President, Costa Financial Group, Inc., Boca Raton, Florida, appeared on behalf of Respondents.

CASE INFORMATION

Statement of Claim filed on or about: October 8, 2002.

Claimants signed the Uniform Submission Agreement: October 4, 2002.

Statement of Answer filed by Respondents on or about: December 27, 2002.

Respondent Costa signed the Uniform Submission Agreement: November 8, 2002.

Respondent CFG signed the Uniform Submission Agreement: November 10, 2002.

CASE SUMMARY

Claimants asserted the following causes of action: violation of Chapter 517 of the Florida Statutes; fraudulent inducement; breach of fiduciary duty; negligence; negligent supervision; and, respondeat superior. The causes of action relate to the purchase and sale of shares of EMC Corporation and other unspecified securities products in Claimants' account.

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

RELIEF REQUESTED

Claimants requested compensatory damages in an amount to be determined at the final hearing, plus punitive damages, pre-judgment interest, costs and any other relief deemed just and proper.

Respondents requested that the Panel dismiss this matter in its entirety, assessing costs as appropriate.

OTHER ISSUES CONSIDERED AND DECIDED

The parties have agreed that the Award in this matter may be executed in counterpart copies.

AWARD

After considering the pleadings, the testimony and evidence presented at the hearing, the undersigned Panel has decided in full and final resolution of the issues submitted for determination as follows:

Respondents are liable on the claims of violation of Chapter 517 of the Florida Statutes, fraudulent inducement, breach of fiduciary duty, negligence, negligent supervision and respondeat superior. As such, Respondents, jointly and severally, are liable and shall pay to Claimants compensatory damages in the amount of \$400,000.00, plus pre-judgment interest at the rate of 6% per annum from August 31, 2002 to the date of service of the Award.

Respondents, jointly and severally, are liable and shall pay to Claimants the sum of \$250.00 representing reimbursement of the claim filing fee previously paid by Claimants to NASD Dispute Resolution.

Any and all claims for relief not specifically addressed herein, including Claimants' request for punitive damages, are denied.

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:

<i>Initial claim filing fee</i>	= \$ 250.00
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Adjournment Fees

No requests for adjournments were filed in this matter.

Injunctive Relief Fees

No injunctive relief fees were incurred in this matter.

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 a single arbitrator @ \$450.00	= \$ 450.00
Pre-hearing conference: October 31, 2003	1 session

One (1) Pre-hearing session with the Panel @ \$1,000.00	= \$1,000.00
Pre-hearing conference: May 14, 2003	1 session

Four (4) Hearing sessions @ \$1,000.00	= \$4,000.00
Hearing Dates: November 18, 2003	2 sessions
November 19, 2003	2 sessions

Total Forum Fees	= \$5,450.00
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The Panel has assessed the total forum fees of \$5,450.00 jointly and severally to Respondents.

Administrative Costs

Administrative costs are expenses 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 in this matter.

FEE SUMMARY

Claimants are jointly and severally liable for:

Initial Filing Fee	= \$ 250.00
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Total Fees	= \$ 250.00
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Less payments	= \$ 250.00
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Balance Due NASD Dispute Resolution	= \$ 0.00
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Respondents are jointly and severally liable for:

Forum Fees = \$5,450.00

Total Fees = \$5,450.00

Less payments = \$ 0.00

Balance Due NASD Dispute Resolution = \$5,450.00

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

ARBITRATION PANEL

John J. Phelan, Esq.	-	Non-Public Arbitrator, Presiding Chair
Linda M. Granata, Esq.	-	Public Arbitrator
Seth L. Finkel, Esq.	-	Public Arbitrator

Concurring Arbitrators' Signatures

/s/

John J. Phelan, Esq.
Non-Public Arbitrator, Presiding Chair

Signature Date

/s/

11/24/03

Linda M. Granata, Esq.
Public Arbitrator

Signature Date

/s/

11/24/03

Seth L. Finkel, Esq.
Public Arbitrator

Signature Date

11/24/03

Date of Service (For NASD Dispute Resolution office use only)

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