

AWARD
NASD Dispute Resolution

In the Matter of the Arbitration Between

Name of Claimant

Landmark Bank, N.A.

and

02-06139
Oklahoma City, Oklahoma

Name of Respondents

Linsco/Private Ledger Corp.
Michael A. Kincheloe

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

REPRESENTATION OF PARTIES

Landmark Bank, N.A. ("Claimant") was represented by Todd Taylor, Esq., Crowe & Dunlevy, Oklahoma City, Oklahoma.

Linsco/Private Ledger Corp. ("Linsco") was represented by David J. Freniere, Esq., LPL Financial Services, Boston, Massachusetts.

Michael A. Kincheloe ("Kincheloe") was represented by Michael Burrage, Esq., Durant, Oklahoma.

CASE INFORMATION

The Statement of Claim was filed on or about October 11, 2002. The Submission Agreement of Claimant Landmark Bank, N.A. was signed on October 9, 2002.

The Statement of Answer was filed by Respondent Linsco/Private Ledger Corp. on or about January 9, 2003. The Submission Agreement of Respondent Linsco/Private Ledger Corp. was signed on or about January 9, 2003.

The Statement of Answer was filed by Respondent Michael A. Kincheloe on or about December 24, 2002. The Submission Agreement of Respondent Michael A. Kincheloe was signed on December 24, 2002.

CASE SUMMARY

Claimant asserted the following causes of action: breach of contract; wrongful acts under the Financial Institution Services Agreement, Representative Agreement and Branch Office Manager Agreement.

Claimant specifically stated the following:

Following termination of the Financial Institution Services Agreement, Landmark Bank requested assistance from LPL and Kincheloe in the transferring accounts of Landmark Bank's replacement broker/dealer. While some accounts have been transferred from LPL to PrimeVest, LPL and Kincheloe have repeatedly ignored Landmark Bank's request for assistance to transfer many of the accounts, and some the accounts that were initially transferred from LPL to PrimeVest have been transferred back to LPL and/or Kincheloe and without any authorization of such transfer back from PrimeVest.

Unless specifically admitted in its Answer, Respondent Linsco/Private Ledge denied the allegations made in the Statement of Claim and asserted the following defenses: Claimant fails to state a claim upon which relief can be granted; Linsco did not breach any contract with Landmark; At all relevant times, Linsco acted in good faith and at no time acted intentionally, fraudulently, negligently, or recklessly with respect to any matter alleged in the Claim; and Landmark's own actions and decisions caused any losses that it alleges.

Unless specifically admitted in its Answer, Respondent Michael A. Kincheloe denied the allegations made in the Statement of Claim and specifically stated the following:

In November 2001, Respondent Kincheloe was informed by Basil Bigbie with the Landmark Bank, of the bank's decision to switch investment services from Linsco/Private Ledger Corporation to PrimeVest. In addition, Respondent Kincheloe was informed that his territory would be reduced to Durant, Oklahoma, Madill, Oklahoma, and possibly Tishomingo, Oklahoma and Respondent Kincheloe would be required to become an employee of Landmark Bank, instead of an independent broker/dealer. After exploring the possibility of switching to Primevest, Respondent Kincheloe chose to remain with Linsco/Private Ledger Corporation and faced the realization that he no longer had a position with Landmark Bank.

RELIEF REQUESTED

Claimant requested an award in the amount of \$1,000,000.00 for all losses and damages it has suffered and to compensate Claimant for any consequential damages including lost opportunities

and lost profits. Claimant also requested the Panel to order Respondents to provide Claimant with all of the customer account information and all information required to be maintained by applicable rules and regulations, and to order Respondents to assist Claimant, and to take all actions necessary to transfer Landmark Bank's customers' account from LPL to PrimeVest. Claimant also requested the Panel to enjoin Respondents from divulging any customer account information to third parties, and from using the customer account information for benefit of themselves or third parties. Claimant further requested that the Panel order Respondents to pay all costs of this proceeding, including attorney's fees and expenses of the hearing, including expert witnesses.

Respondent Linsco/Private Ledge Corp. requested that the claims asserted against them be denied in its entirety and that they be awarded reasonable attorney's fees, arbitration costs, and expenses.

Respondent Michael A. Kincheloe requested that the Claimant take nothing by their Statement of Claims and for a judgment for reasonable attorney's fees, costs, and any further relief that the Panel deems just and proper under the circumstances.

OTHER ISSUES CONSIDERED & DECIDED

Claimant Landmark Bank, N.A. and Respondent Michael Kincheloe's submitted Trial Briefs.

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. In either case, the parties have agreed to receive conformed copies of the award while the original(s) remain on file with the NASD Dispute Resolution (the "NASD").

AWARD

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

1. The claims asserted in this matter are denied in their entirety.
2. To the extent not specifically awarded or otherwise provided for above, all other claims and requests for relief by any party hereto are denied with prejudice.
3. Other than the Forum Fees noted below, the parties shall each bear all 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 or collect the non-refundable filing fees for each claim:

Initial claim filing fee = \$375.00

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. In this matter, the member firm is Linsco/Private Ledger Corp.

Member surcharge	\$	2,250.00
Pre-hearing process fee	\$	750.00
Hearing process fee	\$	4,000.00
Total Member Fees	\$	7,000.00

Adjournment Fees

Adjournments requested during these proceedings:

October 6-7, 2003 Hearing Dates, adjournment requested by Respondent Kincheloe = \$1,200.00
(waived by the Panel)

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:

2 Pre-hearing sessions with Panel	x	1,200.00	\$	2,400.00
June 16, 2003	1 session			
October 24, 2003	1 session			
4 Hearing sessions	x	1,200.00	\$	4,800.00
January 15, 2003	2 sessions			
January 16, 2003	2 sessions			

Total Forum Fees \$ 7,200.00

The Arbitration Panel has assessed \$2,400.00 of the forum fees to Landmark Bank, N.A.
The Arbitration Panel has assessed \$2,400.00 of the forum fees to Linsco/Private Ledger Corp.
The Arbitration Panel has assessed \$2,400.00 of the forum fees to Michael A. Kincheloe.

Fee Summary

Claimant, Landmark Bank, N.A., shall be and hereby is liable for:

Initial Filing Fee	= \$	375.00
<u>Forum Fees</u>	= \$	2,400.00
Total Fees	= \$	2,775.00
<u>Less payments</u>	= \$	-3,200.00
Refund due to Claimant	= \$	425.00

Respondent, Linsco/Private Ledger Corp., shall be and hereby is liable for:

Member Fees	= \$	7,000.00
<u>Forum Fees</u>	= \$	2,400.00
Total Fees	= \$	9,400.00
<u>Less payments</u>	= \$	-7,000.00
Balance Due NASD Dispute Resolution	= \$	2,400.00

Respondent, Michael A. Kincheloe, shall be and hereby is liable for:

<u>Forum Fees</u>	= \$	2,400.00
Total Fees	= \$	2,400.00
<u>Less payments</u>	= \$	-000.00
Balance Due NASD Dispute Resolution	= \$	2,400.00

All balances are due to NASD Dispute Resolution

ARBITRATION PANEL

Preston A. Trimble, Esq. - Public Arbitrator, Presiding Chair
Henry Trattner, Esq. - Public Arbitrator
Kurtis J. Ward - Non-Public Arbitrator

Concurring Arbitrators:

/s/ Preston A. Trimble, Esq.

Preston A. Trimble, Esq.
Public Arbitrator, Presiding Chair

01/29/04

Signature Date

/s/ Henry Trattner, Esq.

Henry Trattner, Esq.
Public Arbitrator

01/30/04

Signature Date

/s/ Kurtis J. Ward

Kurtis J. Ward
Non-Public Arbitrator

01/30/04

Signature Date

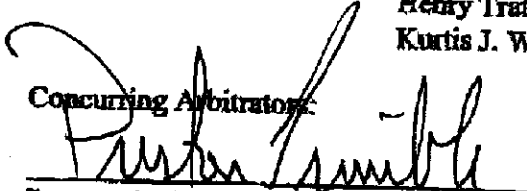
01/30/04

Date of Service (NASD Dispute Resolution use only)

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Henry Trattner, Esq. - Public Arbitrator
Kurtis J. Ward - Non-Public Arbitrator

Concurring Arbitrator:


Preston A. Trimble, Esq.
Public Arbitrator, Presiding Chair

29 Jan 04
Signature Date

Henry Trattner, Esq.
Public Arbitrator

Signature Date

Kurtis J. Ward
Non-Public Arbitrator

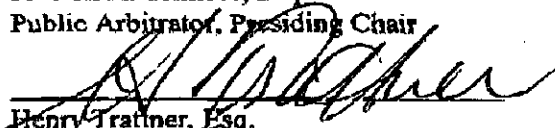
Signature Date

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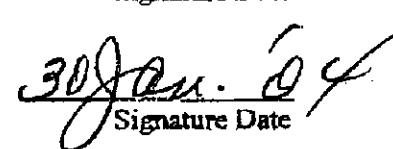
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Public Arbitrator, Presiding Chair



Henry Trattner, Esq.
Public Arbitrator

Signature Date



Signature Date

Kurtis J. Ward
Non-Public Arbitrator

Signature Date

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Concurring Arbitrators:

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Public Arbitrator, Presiding Chair

Signature Date

Henry Trattner, Esq.
Public Arbitrator

Signature Date

Kurtis J. Ward

Kurtis J. Ward
Non-Public Arbitrator

1-30-04

Signature Date