

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Joseph H. Ciantar, Claimant v. WM Financial Services, Inc. and Lisa Ann Lighthipe-Hinz,
Respondents

Case Number: 02-06386

Hearing Site: Los Angeles, California

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

REPRESENTATION OF PARTIES

For Claimant:

Jonathan W. Evans, Esq.
Jonathan W. Evans & Associates
Studio City, California

For Respondent WM Financial Services, Inc.:

Gregory J. Sherwin, Esq.
Elizabeth Lowery, Esq.
Fields, Fehn & Sherwin
Los Angeles, California

For Respondent Lisa Ann Lighthipe-Hinz:

Daniel L. Germain, Esq.
Rosman & Germain LLP
Los Angeles, California

CASE INFORMATION

Statement of Claim filed: October 22, 2002

Claimant's Uniform Submission Agreement signed: undated

Joint Statement of Answer filed by Respondents: December 23, 2002

Respondent WM Financial Services, Inc.'s Uniform Submission Agreement signed:
December 20, 2002

Respondent Lisa Ann Lighthipe-Hinz's Uniform Submission Agreement signed:
December 27, 2002

CASE SUMMARY

Claimant alleged negligence, unsuitability, misrepresentation, fraud, failure to supervise, breach of fiduciary duty, violation of federal and state securities laws, violation of NASD Rules of Fair Practice, breach of contract, and breach of implied covenant of good faith and fair dealing. Claimant's allegations involved an MFS Regatta Platinum variable annuity invested in unspecified equity mutual funds.

Respondents denied the allegations of wrongdoing set forth in the Claimant's Statement of Claim.

RELIEF REQUESTED

Claimant requested \$48,643.00 in compensatory damages, \$5,400.00 in disgorgement of commissions, \$10,800.00 in return on investment, interest at 10% per annum from the date the Claimant deposited his funds through the date of payment of arbitration award, unspecified punitive damages, and costs, including attorney's fees.

Respondents requested dismissal of the Claimant's Statement of Claim in its entirety, and costs.

OTHER ISSUES CONSIDERED AND DECIDED

On November 13, 2002, Claimant and Claimant's counsel signed a Waiver Agreement expressly waiving any and all rights and benefits under California Civil Code Section 1542 and the California Ethical Standards for Neutral Arbitrators.

On December 24, 2002, Respondents WM Financial Services, Inc. and Lisa Ann Lighthipe-Hinz's counsel signed a Waiver Agreement on their behalf expressly waiving any and all rights and benefits under California Civil Code Section 1542 and the California Ethical Standards for Neutral Arbitrators.

On February 12, 2004, Respondents moved the Panel to issue an Order requiring all documents provided through discovery to be held confidential. After due deliberation, the Panel ruled that any document with any individual's personal information shall be held confidential.

During closing argument at the hearing, Claimant withdrew the allegations of fraud and violation of federal and state securities laws.

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

- 1) Respondents WM Financial Services, Inc. and Lisa Ann Lighthipe-Hinz are jointly and severally liable to and shall pay Claimant the sum of \$34,270.00 in compensatory damages.
- 2) Respondents WM Financial Services, Inc. and Lisa Ann Lighthipe-Hinz are jointly and severally liable to and shall pay Claimant interest in the amount of 10% per annum on \$34,270.00 from the date of the Award until the date that payment of this Award is made in full.
- 3) Claimant's request for punitive damages is denied.
- 4) The parties shall bear their respective costs, including attorney's fees.
- 5) All other relief requested and not expressly granted is denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution received or will collect the non-refundable filing fees for each claim as follows:

Initial claim filing fee	= \$ 225.00
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Member Fees

Member fees are assessed to each member firm that is either a party in the matter or an employer of a respondent associated person at the time of the events that gave rise to the dispute, claim, or controversy. Accordingly, the member firm WM Financial Services, Inc. is a party and the following fees are assessed:

Member Surcharge	= \$ 1,100.00
Pre-Hearing Process Fee	= \$ 750.00
<u>Hearing Process Fee</u>	= \$ 1,700.00
Total Member Fees	= \$ 3,550.00

Forum Fees and Assessments

The Panel assessed a forum fee for each pre-hearing conference or hearing session conducted. A pre-hearing conference and hearing session is any meeting between the parties and the Chair/Panel. The following fees are assessed:

1 Pre-hearing conference session with the Panel @ \$750.00/session = \$ 750.00
Pre-hearing conference: April 28, 2003 1 session

8 Hearing sessions @ \$750.00/session = \$ 6,000.00
Hearings: February 9, 2004 2 sessions
February 10, 2004 2 sessions
February 11, 2004 2 sessions
February 12, 2004 2 sessions

Total Forum Fees = \$ 6,750.00

The Panel assessed \$ 6,750.00 of the forum fees jointly and severally to Respondents.

Fee Summary

1. Claimant is charged with the following fees and costs:

Initial Filing Fee	= \$ 225.00
<u>Less payments</u>	= \$(975.00)
Refund Due Claimant	= \$(750.00)

2. Respondent WM Financial Services, Inc. is charged with the following fees and costs:

Member Fees	= \$ 3,550.00
<u>Less payments</u>	= \$(3,550.00)
Balance Due NASD Dispute Resolution	= \$ 0.00

3. Respondents are charged jointly and severally with the following fees and costs:


Forum Fees	= \$ 6,750.00
<u>Less payments</u>	= \$(0.00)
Balance Due NASD Dispute Resolution	= \$ 6,750.00

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

ARBITRATION PANEL

Terry A. O'Connell	-	Public Arbitrator, Presiding Chair
Robert S. Granas	-	Public Arbitrator
Grace L. Heyne	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures


Terry A. O'Connell
Chair, Public Arbitrator

2/15/04
Signature Date

Robert S. Granas
Public Arbitrator

Signature Date

Grace L. Heyne
Non-Public Arbitrator

Signature Date

2/17/04
Date of Service

ARBITRATION PANEL

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Robert S. Granas	-	Public Arbitrator
Grace L. Heyne	-	Non-Public Arbitrator

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Terry A. O'Connell
Chair, Public Arbitrator

Signature Date

Robert S. Granas
Robert S. Granas
Public Arbitrator

February 13, 2004
Signature Date

Grace L. Heyne
Non-Public Arbitrator

Signature Date

2/17/04
Date of Service

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Concurring Arbitrators' Signatures

Terry A. O'Connell
Chair, Public Arbitrator

Signature Date

Robert S. Granas
Public Arbitrator

Signature Date

Grace L. Heyne
Grace L. Heyne
Non-Public Arbitrator

02-16-2004
Signature Date

2/17/04
Date of Service