

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimant

The Paul J. Speroni Charitable Remainder Trust
by and through its Trustee Paul J. Speroni

Case Number: 02-06570

Name of the Respondents

Thomas Weisel Partners, LLC
Jeffrey S. Schottenstein

Hearing Site: Washington, D.C.

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

REPRESENTATION OF PARTIES

Claimant, the Paul J. Speroni Charitable Remainder Trust by and through its Trustee Paul J. Speroni ("Claimant"), was represented by Eliot Goldstein, Esq., Law Offices of Eliot Goldstein, LLP, Cabin John, Maryland.

Respondent, Thomas Weisel Partners, LLC ("Thomas Weisel"), and Jeffrey S. Schottenstein ("Schottenstein"), hereinafter collectively referred to as "Respondents", were represented by Julie A. Kole, Esq. and Peter R. Boutin, Esq., Keesal, Young & Logan, San Francisco, California.

CASE INFORMATION

Statement of Claim filed on October 31, 2002.

Paul J. Speroni signed the Uniform Submission Agreement on behalf of the Trust on October 30, 2002.

Statement of Answer filed by Respondents on January 20, 2003.

Respondent Schottenstein signed the Uniform Submission Agreement on December 30, 2002.

A representative of Respondent Thomas Weisel executed the Uniform Submission Agreement on December 11, 2002.

CASE SUMMARY

Claimant asserted the following causes of action, among others: breach of contract, promissory estoppel, breach of fiduciary duty, negligence, suitability, failure to supervise, and common law fraud. The causes of action relate to the purchase of shares in Wiesel Growth Opportunities.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted the following defenses, among others: ratification, estoppel, assumption of risk, Claimant failed in his duty to exercise due diligence in monitoring his account and is barred from recovery, and failure to mitigate damages.

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RELIEF REQUESTED

Claimant in his Statement of Claim requested: compensatory damages between \$160,900.00 and \$475,000.00, punitive damages in the amount of \$3,000,000.00, costs, and attorneys' fees.

Respondents in their Statement of Answer requested that the Statement of Claim be dismissed with prejudice, that they be awarded costs, and that the Arbitration Panel ("the Panel") recommend that all references to this Statement of Claim be expunged from the record of Respondent Schottenstein maintained by the NASD Central Registration Depository ("CRD").

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. All claims against Respondents Thomas Wiesel and Schottenstein are denied in their entirety;
2. All claims for punitive damages and attorneys' fees are denied in their entirety;
3. The parties shall bear their respective costs, including attorneys' fees, except as Fees are specifically addressed below; and,
4. Any and all relief not specifically addressed herein is denied in its entirety.

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	= \$ 600.00
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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 person(s) at the time of the events giving rise to the dispute. Accordingly, Thomas Wiesel is a party.

Member surcharge	= \$ 2,800.00
Pre-hearing process fee	= \$ 750.00
<u>Hearing process fee</u>	<u>= \$ 1,000.00</u>

Total Member Fees = \$ 8,550.00

Forum Fees and Assessments

The Panel has assessed forum fees for each session conducted. A session is any meeting between the parties and the arbitrator(s), including a pre-hearing conference with the arbitrator(s), that lasts four (4) hours or less. Fees associated with these proceedings are:

Two (2) Pre-hearing sessions with a single arbitrator @ \$450.00 = \$ 900.00

Pre-hearing conferences: November 19, 2003 1 session
February 11, 2004 1 session

One (1) Pre-hearing session with Panel @ \$1,200.00 = \$ 1,200.00

Pre-hearing conferences: September 8, 2003 1 session

Thirteen (13) Hearing sessions @ \$1,200.00 = \$15,600.00

Hearing Dates: April 20, 2003 2 sessions
April 21, 2003 2 sessions
April 22, 2003 2 sessions
April 23, 2003 2 sessions
September 8, 2003 2 sessions
September 9, 2003 2 sessions
September 10, 2003 1 session

1. The Panel has assessed \$8,850.00 of the forum fees to Claimant.
2. The Panel has assessed \$8,850.00 of the forum fees 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.

1. Claimant requested copies of tapes = \$ 225.00
2. Thomas Wiesel requested copies of tapes = \$ 225.00

FEE SUMMARY

1. Claimant is assessed and shall pay the following fees:

Initial Filing Fee	= \$ 600.00
<u>Forum Fees</u>	<u>= \$8,850.00</u>
<u>Administrative Costs</u>	<u>= \$ 225.00</u>
Total Fees	= \$9,675.00
<u>Less payments</u>	<u>= \$2,025.00</u>
Balance Due NASD Dispute Resolution	= \$7,650.00

2. Respondents are jointly and severally assessed and shall pay the following fees:

<u>Forum Fees</u>	= \$8,850.00
Total Fees	= \$8,850.00
<u>Less payments</u>	= \$ 00.00
Balance Due NASD Dispute Resolution	= \$8,850.00

3. Respondent Thomas Wiesel is assessed and shall pay the following fees:

<u>Member Fees</u>	= \$8,550.00
Administrative Costs	= \$ 225.00
Total Fees	= \$8,775.00
<u>Less payments</u>	= \$8,775.00
Balance Due NASD Dispute Resolution	= \$ 00.00

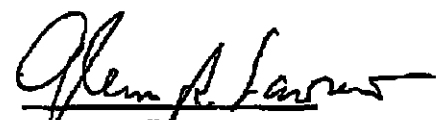
All balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

Lawrence R. Glenn, Esq.	-	Public Arbitrator, Presiding Chairperson
Leonard E. Benade	-	Public Arbitrator, Panelist
Michael P Gwinn	-	Non-Public Arbitrator, Panelist

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Concurring Arbitrators' Signatures


Glenn R. Lawrence, Esq
Public Arbitrator, Presiding Chairperson

9/29/04
Signature Date:

Leonard E. Benade
Public Arbitrator, Panelist

Signature Date

Michael P Gwinn
Non-Public Arbitrator, Panelist

Signature Date

9/30/04
Date of Service (For NASD Dispute Resolution office use only)

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Concurring Arbitrators' Signatures

Lawrence R. Glenn, Esq
Public Arbitrator, Presiding Chairperson

Signature Date



Leonard E. Benade
Public Arbitrator, Panelist

9/27/04
Signature Date

Michael P Gwinn
Non-Public Arbitrator, Panelist

Signature Date

9/30/04
Date of Service (For NASD Dispute Resolution office use only)

Concurring Arbitrators' Signatures

Lawrence R. Glenn, Esq
Public Arbitrator, Presiding Chairperson


Signature Date

Leonard E. Benade
Public Arbitrator, Panelist

Signature Date



Michael P. Gwinn
Non-Public Arbitrator, Panelist

 Sept 27, 2004

Signature Date

9/30/04

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