
Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Names of the Claimants

Daniel B. Parsont and Trina M. Parsont JT TEN
Daniel B. Parsont and Trina M. Parsont JTWROS
Trina M. Parsont
Daniel B. Parsont,
Custodian FBO Neil H. Parsont UTMA FL
Daniel B. Parsont,
Non-Conduit IR Advanced Clearing, Inc. Custodian
Daniel B. Parsont,
Rollover IRA Advanced Clearing, Inc. Custodian
Trina Mae Parsont,
IRA Advanced Clearing, Inc. Custodian
Daniel B. Parsont,
TR FBO Kathryn Parsont Rev. Trust UA March 3, 1994
Kathryn and Daniel Parsont
Sharri Parsont

Case Number: 02-06991

Names of the Respondents

K.W. Brown Investments
Kenneth Brown

Hearing Site: Boca Raton, Florida

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

REPRESENTATION OF PARTIES

For Daniel B. Parsont and Trina M. Parsont JT TEN, Daniel B. Parsont and Trina M. Parsont JTWROS, Trina M. Parsont, Daniel B. Parsont, Custodian FBO Neil H. Parsont UTMA FL, Daniel B. Parsont, Non-Conduit IR Advanced Clearing, Inc. Custodian, Daniel B. Parsont, Rollover IRA Advanced Clearing, Inc. Custodian, Trina Mae Parsont, IRA Advanced Clearing, Inc. Custodian, Daniel B. Parsont, TR FBO Kathryn Parsont Rev. Trust UA March 3, 1994, Kathryn and Daniel Parsont and Sharri Parsont, hereinafter collectively referred to as "Claimants": Scott L. Silver, Esq., Blum, Silver & Schwartz, LLP, Plantation, Florida.

For K.W. Brown Investments ("K.W. Brown") and Kenneth Brown ("Brown"), hereinafter collectively referred to as "Respondents": Russell L. Forkey, Esq., Russell L. Forkey, P.A., Fort Lauderdale, Florida.

CASE INFORMATION

Statement of Claim filed on or about: November 15, 2002.

Claimants signed the Uniform Submission Agreement: November 9, 2002.

Motion to Dismiss for Lack of Jurisdiction and Statement of Answer filed by Respondents on or about: March

27, 2003.

Respondents K.W. Brown and Brown did not file executed Uniform Submission Agreements.

Response to Motion to Dismiss for Lack of Jurisdiction filed by Claimants on or about: September 8, 2003.

CASE SUMMARY

Claimants asserted the following causes of action: 1) violation of Florida Statutes, Section 517.301; 2) breach of contract; 3) breach of fiduciary duty; 4) common law fraud; 5) negligence; and, 6) negligent supervision, hiring and retention of employees. The causes of action relate to the purchase and sale of various unspecified securities in Claimants' accounts.

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

RELIEF REQUESTED

Claimants requested compensatory damages in the amount of \$600,000.00, interest at the legal rate from the date of purchase or reasonable market return, rescission, reasonable attorney's fees in an amount to be determined by a court of competent jurisdiction, punitive damages, costs and for such other relief as the Panel deemed just and proper.

Respondents requested that the Statement of Claim be dismissed in its entirety and that they be awarded their attorney's fees and such other and further relief as the Panel deemed just and proper.

OTHER ISSUES CONSIDERED AND DECIDED

Respondents did not file with NASD Dispute Resolution properly executed Uniform Submission Agreements, but are required to submit to arbitration pursuant to the NASD Code of Arbitration Procedure (the "Code") and, having answered the claim, are bound by the determination of the Panel on all issues submitted.

On September 23, 2003, the Panel issued an Order that denied Respondents' Motion to Dismiss.

On or about May 12, 2004, the parties informed NASD Dispute Resolution that they had settled this matter and that they would be submitting a proposed Stipulated Award with request for expungement of the NASD Central Registration Depository (the "CRD") records of Respondents K.W. Brown and Brown.

On or about May 26, 2004, the parties submitted to NASD Dispute Resolution a Stipulation for Settlement that included a request for expungement of the NASD CRD records of Respondents K.W. Brown and Brown. In addition, Claimants stated that they dismiss, with prejudice, all claims against Respondents and agreed, after review of discovery, that the claims against Respondents were unfounded. Therefore, Claimants are withdrawing all allegations of wrongdoing against Respondents.

The parties have agreed that the Stipulated Award in this matter may be entered in counterpart copies or that a signed handwritten Stipulated Award may be entered.

AWARD

After considering the pleadings and the Stipulation for Settlement with request for expungement, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

The Panel recommends the expungement of all references to the above captioned arbitration from Respondents K.W. Brown and Brown's U-4 and registration records maintained by the NASD CRD, with the understanding that pursuant to NASD Notices to Members 99-09 and 99-54, Respondents K.W. Brown and Brown must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

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
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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 firm that employed the associated person at the time of the events giving rise to the dispute. Accordingly, K.W. Brown is a party to this dispute and was a member of NASD at the time the following fees were assessed:

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

Adjournment Fees

No requests for adjournments were filed in this matter for which fees were assessed.

Injunctive Relief Fees

No injunctive relief fees were incurred during this proceeding.

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 the Panel @ \$1,200.00	= \$1,200.00
<u>Pre-hearing conference: September 8, 2003 1 session</u>	
Total Forum Fees	= \$1,200.00

The Panel has assessed \$600.00 of the forum fees jointly and severally to Claimants.
The Panel has assessed \$600.00 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 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 during this proceeding.

Fee Summary

Claimants are jointly and severally liable for:

Initial Filing Fee	= \$ 375.00
<u>Forum Fees</u>	= \$ 600.00
Total Fees	= \$ 975.00
<u>Less payments</u>	= \$ 975.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondent K.W. Brown is solely liable for:

<u>Member Fees</u>	= \$ 7,000.00
Total Fees	= \$ 7,000.00
<u>Less payments</u>	= \$ 7,000.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondents K.W. Brown and Brown are jointly and severally liable for:

<u>Forum Fees</u>	= \$ 600.00
Total Fees	= \$ 600.00
<u>Less payments</u>	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 600.00

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

ARBITRATION PANEL

David Maron Glassman, DDS	-	Public Arbitrator, Presiding Chairperson
George W. Rodormer	-	Public Arbitrator
Richard D. Hanson	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

/s/
David Maron Glassman, DDS
Public Arbitrator, Presiding Chairperson

06/07/04
Signature Date

/s/
George W. Rodormer
Public Arbitrator

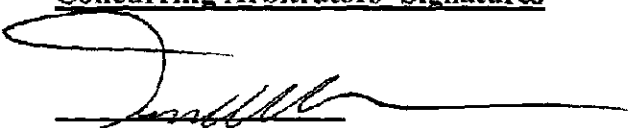
06/08/04
Signature Date

/s/
Richard D. Hanson
Non-Public Arbitrator

06/09/04
Signature Date

06/10/04
Date of Service (For NASD Dispute Resolution office use only)

Concurring Arbitrators' Signatures



David Maron Glassman, DDS
Public Arbitrator, Presiding Chairperson

June 7, 2004

Signature Date

George W. Rodormer
Public Arbitrator

Signature Date

Richard D. Hanson
Non-Public Arbitrator

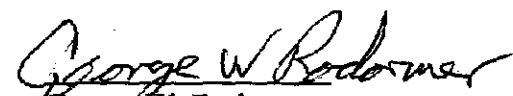
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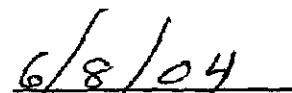
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Public Arbitrator


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David Maron Glassman, DDS
Public Arbitrator, Presiding Chairperson

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George W. Rodormer
Public Arbitrator

Signature Date



Richard D. Hanson
Non-Public Arbitrator

6-9-04
Signature Date

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