

AWARD
NASD Dispute Resolution

In the Matter of the Arbitration Between

Name of Claimant

Anita Hankwitz Kastner Revocable Trust

and

02-7369
Milwaukee, Wisconsin

Name of Respondents

J. E. Liss & Company, Inc., a/k/a Liss Insurance
Financial Services, Jerome E. Liss, Thomas Carter,
Carol A. Liss and Laura Liss, f/k/a, Laura Liss-Scott

Nature of the Dispute: Customer vs. Terminated-Member and Associated Persons.

REPRESENTATION OF PARTIES

Claimant Anita Hankwitz Kastner Revocable Trust ("Claimant") or ("Kastner") was represented by Peter Richardson, Esq., of Michael Best & Friedrich, located Milwaukee, Wisconsin.

Respondents Jerome E. Liss, J. E. Liss & Company, Inc., a/k/a Liss Insurance Financial Services, (Liss & Co.), Carol A. Liss and Laura Liss, f/k/a Laura Liss-Scott ("Respondents"), were represented by Albert Solocheck, Esq., of Hoear, Solocheck & Weber, S. C., located in Milwaukee, Wisconsin.

Respondent Thomas Carter ("Carter") was represented by Peter W. Cater, Esq., of Dorsey & Whitney LLP, Located in Minneapolis, Minnesota.

CASE INFORMATION

The Statement of Claim was filed on or about December 12, 2002. Submission Agreement of Claimant was filed on December 2, 2002

Joint Statement of Answer was filed by Respondents Liss & Co., and Jerome Liss on February 21, 2003. Respondents did not file Uniform Submission Agreements.

Statement of Answer was filed by Respondent Thomas Carter on February 3, 2003. Respondent Carter did not file a Uniform Submission Agreement.

Claimant filed a Motion to Amend the Statement of Claim on July 24, 2003.

On August 8, 2003 Carol A. Liss, Laura Liss f/k/a Laura Liss-Scott and Ian J. Scott filed an objection and Response to Claimant's Motion to File an Amendment to the Statement of Claim.

CASE SUMMARY

Claimant alleged the following causes of action in her Statement of Claim: unsuitability, negligence; breach of fiduciary duty; negligent supervision.

Claimant filed an Amendment to the Statement of Claim to add the following causes of action: violations of 551.59(4) of the Wisconsin Statutes against Carol A. Liss, Laura Liss-Scott and Ian J. Scott. All of Claimant's causes of action relate to Corporate Junk Bonds involving Hechinger, Boston Chicken, APS, Asia Pulp & Paper, Levitz Furniture, and Northwestern Steel.

Unless specifically admitted in their Joint Statement of Answer, Liss & Company and Jerome E. Liss denied the allegations set forth in the Statement of Claim and submitted the following affirmative defenses: Respondents did not recommend, mislead, defraud or deceive Claimant; Liss & Company and Jerome E. Liss were not negligent in supervising Thomas Carter when he sold corporate bonds to the Trust. J.E. Liss & Company; and, Jerome E. Liss did not wrong Ms. Kastner or the Anita Hankwitz revocable Trust and nor are they liable for unsuitable recommendations or any other alleged wrongs.

Respondent Thomas Carter denied all claims asserted against him and asserted the following affirmative defenses: Carter did not mislead, defraud or deceive Claimant. Carter did not breach any fiduciary duty to Claimant; and, Carter did not recommend unsuitable investments to Claimant.

RELIEF REQUESTED

Claimant requested an award in the amount of \$459,458.53.

Respondents requested that the claims asserted against them be denied in their entirety and that they be awarded their costs and attorneys' fees.

Respondent Thomas Carter requested that the claims asserted against him be denied in their entirety and that he be awarded his costs and attorneys' fees.

Respondent Lisa Liss f/k/a Lisa Scott- Liss requested that the claims asserted against her be denied in their entirety and that she be awarded his costs and attorneys' fees. Ms. Liss also requested an expungement of all references to her registration records maintained by the NASD Central Registration Depository ("CRD").

OTHER ISSUES CONSIDERED & DECIDED

Respondents J.E. Liss and Company, Liss Financial Services, Jerome E. Liss and Thomas Carter 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 remain on file with the NASD Dispute Resolution (the "NASD").

Respondents Thomas Carter, J.E. Liss and Company, Liss Financial Services, Jerome E. Liss, Carol A. Liss and Laura Liss f/k/a Laura Liss-Scott did not file with the NASD Dispute Resolution a properly executed submission to arbitration but is required to submit to arbitration pursuant to Rule 10301 of the NASD Code of Arbitration Procedure (the "Code") and having appeared and testified at the hearing are bound by the determination of the arbitration panel on all issues submitted.

On September 23, 2003 the Panel issued an order granting Claimant's motion to Amend the Complaint to add Carol A. Liss and Laura Liss-Scott as Respondents. The Panel Denied Claimant's request to add Ian J. Scott as a Respondent to this action.

AWARD

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

1. The Claimant Anita Hankwitz Kastner Revocable Trust's claims against Respondents J.E. Liss & Company, Inc., Liss Insurance/Financial Services, Inc., Thomas Carter, Carol A. Liss, and Laura Liss f/k/a Laura Liss-Scott are hereby denied and dismissed, in their entirety, upon the merits;
2. The Panel recommends the expungement of all reference to the above-captioned arbitration from Respondent Laura Liss f/k/a Laura Liss-Scott's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notices to Members 99-09 and 99-54, Respondent Laura Liss f/k/a Laura Liss-Scott must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.
3. That to the extent not specifically awarded or otherwise provided for above, all other claims and requests for relief are dismissed in their entirety with prejudice; and,
4. Any and all costs not specially enumerated herein will be paid by the party who incurred them.

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 = \$300.00

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, Liss Financial Services, Inc. is a terminated Member that participated in the action. As such the following fees are assessed:

Member surcharge	\$	1,700.00
Pre-hearing process fee	\$	750.00
Hearing process fee	\$	2,750.00
Total Member Fees	\$	<u>5,200.00</u>

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:

1	Pre-hearing session with a single arbitrator	x	450.00	\$	450.00
	January 29, 2004		1 session		
3	Pre-hearing sessions with Panel	x	1,125.00	\$	3,375.00
	August 20, 2003		1 session		
	September 23, 2003		1 session		
	October 27, 2003		1 session		
6	Hearing sessions	x	1,125.00	\$	6,750.00
	February 9, 2004	2	sessions		
	February 10, 2004	2	sessions		
	February 11, 2004	2	sessions		
	Total Forum Fees			\$	<u>10,575.00</u>

The Arbitration Panel has assessed \$10,575.00 of the forum fees to Claimant Anita Hankwitz Kastner Revocable Trust.

Fee Summary

Claimant, Anita Hankwitz Revocable Trust shall be and hereby is liable for:

Initial Filing Fee	= \$	300.00
<u>Forum Fees</u>	= \$	10,575.00
Total Fees	= \$	10,875.00
<u>Less payments</u>	= \$	-2,125.00
Balance Due NASD Dispute Resolution	= \$	8750.00

Respondent, Liss financial Services, Inc. shall be solely liable for:

Member Fees	= \$	5,200.00
Total Fees	= \$	5,200.00
<u>Less payments</u>	= \$	0.00
Balance Due NASD Dispute Resolution	= \$	5,200.00

All balances are due to NASD Dispute Resolution

ARBITRATION PANEL

Emanuel V. Gumina, Esq. - Public Arbitrator, Presiding Chair
Bradford S. Allen, Esq. - Public Arbitrator
Donald V. Anderson - Non-Public Arbitrator

Concurring Arbitrators:

Emanuel V. Gumina, Esq.
Public Arbitrator, Presiding Chair

Signature Date

Bradford S. Allen, Esq.
Public Arbitrator

Signature Date

Donald V. Anderson
Non-Public Arbitrator

Signature Date

NASD Dispute Resolution

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Date of Service by NASD Dispute Resolution

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Donald V. Anderson - Non-Public Arbitrator


Concurring Arbitrators:

Emanuel V. Gumina, Esq.
Public Arbitrator, Presiding Chair

Signature Date

Bradford S. Allen, Esq.
Public Arbitrator

Signature Date



Donald V. Anderson
Non-Public Arbitrator

3-8-2004

Signature Date

NASD Dispute Resolution
 Arbitration No. 02-7369
 Award Page 5 of 6

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 Bradford S. Allen, Esq. - Public Arbitrator
 Donald V. Anderson - Non-Public Arbitrator

Concurring Arbitrators:

Emanuel V. Gumina, Esq.
 Public Arbitrator, Presiding Chair

Bradford S. Allen
 Bradford S. Allen, Esq.
 Public Arbitrator

 Signature Date

March 8, 2004
 Signature Date

 Donald V. Anderson
 Non-Public Arbitrator

 Signature Date

NASD Dispute Resolution
 Arbitration No. 02-7369
 Award Page 5 of 6

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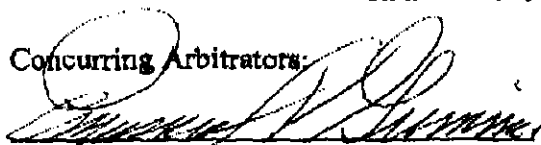
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 Bradford S. Allen, Esq. - Public Arbitrator
 Donald V. Anderson - Non-Public Arbitrator

Concurring Arbitrators:


 Emanuel V. Gumina, Esq.
 Public Arbitrator, Presiding Chair

3/8/04
 Signature Date

 Bradford S. Allen, Esq.
 Public Arbitrator

 Signature Date

 Donald V. Anderson
 Non-Public Arbitrator

 Signature Date