
Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Names of the Claimants

Corina Montalvo

Jose Rafael Montalvo

Case Number: 02-07467

Name of the Respondent

Donaldson, Lufkin & Jenrette Securities Corporation

Hearing Site: Boca Raton, Florida

Nature of the Dispute: Customer vs. Member.

REPRESENTATION OF PARTIES

For Corina Montalvo and Jose Rafael Montalvo, hereinafter collectively referred to as "Claimants": Curtis Carlson, Esq., Carlson & Lewittes, P.A., Miami, Florida.

For Donaldson, Lufkin & Jenrette Securities Corporation, hereinafter referred to as "Respondent": Keith Olin, Esq., Bressler, Amery & Ross, P.C., Miramar, Florida.

CASE INFORMATION

Statement of Claim filed on or about: December 11, 2002.

Claimants signed the Uniform Submission Agreement: November 19, 2002.

Statement of Answer filed by Respondent on or about: April 7, 2003.

Respondent signed the Uniform Submission Agreement: May 7, 2003.

Motion to Consolidate filed by Respondent on or about: February 2, 2004.

Response to Motion to Consolidate filed by Claimants on or about: February 26, 2004.

Reply to Response to Motion to Consolidate filed by Respondent on or about: March 3, 2004.

CASE SUMMARY

Claimants asserted the following causes of action: fraud and deceit; unsuitability; negligence; gross negligence; breach of fiduciary duty; and, failure to supervise. The causes of action relate to Claimants' investment in various mutual funds and common stocks including, but not limited to, shares of the following: DLJ Private Equity Partners Fund LP, DLJ Highly Concentrated Equity Fund LP, Global Prodigies Fund, DLJ Technology Long/Short Investors LP, Cisco, Oracle, Sun Microsystems, GE, Intel, IBM and Texas Instruments.

Unless specifically admitted in its Answer, Respondent denied the allegations made in the Statement of Claim and asserted various defenses.

RELIEF REQUESTED

Claimants requested compensatory damages in excess of \$6,000,000.00, inclusive of return of fees and commissions paid, punitive damages, interest, costs and any other relief deemed just

and proper.

Respondent requested an award dismissing the Statement of Claim in its entirety and granting such other and further relief as the Panel deems just and proper, including assessment of all forum fees and costs against Claimants. In addition, Respondent asserted that it intended to seek attorney's fees and costs from a court of competent jurisdiction pursuant to Sections 57.105 and 517.211(6) of the Florida Statutes.

OTHER ISSUES CONSIDERED AND DECIDED

Respondent moved to consolidate this matter with a previously filed NASD arbitration claim (case number 03-3678), to which Claimant objected. On or about March 8, 2004, the Panel issued an order denying Respondent's Motion to Consolidate.

The parties have agreed that the Award in this matter may be executed in counterpart copies.

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:

Respondent is liable on the claims of negligence, unsuitability and failure to supervise. Accordingly, Respondent shall pay to Claimants compensatory damages in the amount of \$1,200,000.00, pre-judgment interest specifically excluded.

Any and all claims for relief not specifically addressed herein, including Claimants' request for punitive damages, are denied.

FEES

Pursuant to the NASD Code of Arbitration Procedure (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 firm that employed the associated persons at the time of the events giving rise to the dispute. In this matter, the member firm Donaldson, Lufkin & Jenrette Securities Corporation is a party.

Member surcharge	= \$ 3,350.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$ 5,500.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

April 20-22, 2004, adjournment requested by all parties = \$ 1,200.00

November 8-11, 2005, adjournment requested by Respondent = \$ 1,200.00

The Panel has assessed \$1,200.00 of the adjournment fee jointly and severally to Claimants.
The Panel has assessed \$1,200.00 of the adjournment fee to Respondent.

Three-Day Cancellation Fees

Fees apply when a hearing on the merits is postponed or settled within three business days before the start of a scheduled hearing session:

No three-day cancellation fees were incurred in this matter.

Injunctive Relief Fees

Injunctive relief fees are assessed to each member or associated person who files for a temporary injunction in court. Parties in these cases are also assessed arbitrator travel expenses and costs when an arbitrator is required to travel outside his or her hearing location and additional arbitrator honoraria for the hearing for permanent injunction. These fees, except the injunctive relief surcharge, are assessed equally against each party unless otherwise directed by the Panel.

No injunctive relief fees were incurred in this matter.

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 a single arbitrator @ \$ 450.00/session = \$ 450.00
Pre-hearing conference: April 21, 2004 1 session

Five (5) Pre-hearing sessions with the Panel @ \$1,200.00/session = \$ 6,000.00
Pre-hearing conferences: August 20, 2003 1 session
March 4, 2004 1 session
January 18, 2005 1 session
June 3, 2005 1 session
November 3, 2005 1 session

Fifteen (15) Hearing sessions @ \$1,200/session = \$18,000.00
Hearing Dates: December 12, 2005 3 sessions
December 13, 2005 3 sessions
December 14, 2005 2 sessions
December 15, 2005 3 sessions
January 5, 2006 2 sessions

January 6, 2006 2 sessions

Total Forum Fees = \$ 24,450.00

The Panel has assessed \$12,225.00 of the forum fees jointly and severally to Claimants.
The Panel has assessed \$12,225.00 of the forum fees to Respondent.

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.

No administrative costs were incurred in this matter.

Fee Summary

Claimants are jointly and severally liable for:

Initial Filing Fee	= \$ 600.00
Adjournment Fee	= \$ 1,200.00
Forum Fees	= \$12,225.00
Total Fees	= \$14,025.00
Less payments	= \$ 1,800.00
Balance Due NASD Dispute Resolution	= \$12,225.00

Respondent is solely liable for:

Member Fees	= \$ 9,600.00
Adjournment Fee	= \$ 1,200.00
Forum Fees	= \$12,225.00
Total Fees	= \$23,025.00
Less payments	= \$ 9,600.00
Balance Due NASD Dispute Resolution	= \$13,425.00

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

ARBITRATION PANEL

Larry Trent Stinson	-	Public Arbitrator, Presiding Chairperson
Edward Aptaker, Esq.	-	Public Arbitrator
David C. Matthews	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

/s/

1/10/06

Larry Trent Stinson
Public Arbitrator, Presiding Chairperson

Signature Date

/s/

1/10/06

Edward Aptaker, Esq.
Public Arbitrator

Signature Date

/s/

1/10/06

David C. Matthews
Non-Public Arbitrator

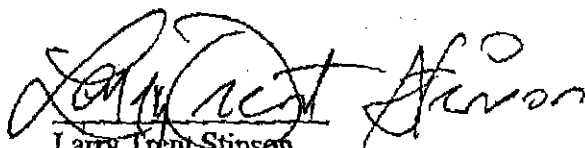
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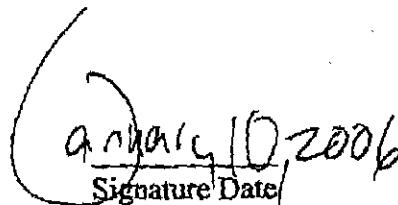
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NASD Dispute Resolution
Arbitration No. 02-07467
Award Page 5

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Larry Trent Stinson
Public Arbitrator, Presiding Chairperson



Signature Date

Edward Aptaker, Esq.
Public Arbitrator

Signature Date

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No. 0743

P 6

NASD Dispute Resolution
Arbitration No. 02-07467
Award Page 5

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Public Arbitrator

David C. Matthews
Non-Public Arbitrator

Signature Date

Edward Aptaker 1/10/06
Signature Date

Signature Date

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NASD Dispute Resolution
Arbitration No. 02-07467
Award Page 5

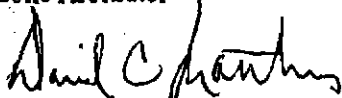
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Signature Date

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Public Arbitrator

Signature Date



David C. Matthews
Non-Public Arbitrator

1/10/2005

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