

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimant

Case Number: 02-07684

Margaret A. Hart, Individually as the
Custodian for her IRA and as Executrix of the
Estate of Alvin Hart

Name of the Respondent

Hearing Site: Indianapolis, Indiana

Multi-Financial Securities Corporation

NATURE OF DISPUTE

Customer vs. Member Firm

REPRESENTATION OF PARTIES

Mark E. Maddox, Esq. of the law firm of Maddox, Hargett & Caruso, P.C., located in Fishers, Indiana represented Claimant, Margaret A. Hart, Individually as the Custodian for her IRA and as Executrix of the Estate of Alvin Hart, hereinafter referred to as "Claimant."

Pfenne P. Cantrell, Esq. of the law firm of Kightlinger & Gray, LLP located in Indianapolis, Indiana represented Respondent, Multi-Financial Securities Corporation, hereinafter referred to as "Respondent."

CASE INFORMATION

Statement of Claim filed on or about December 20, 2002.

Claimant, Margaret A. Hart, Individually as the Custodian for her IRA and as Executrix of the Estate of Alvin Hart, signed the Uniform Submission Agreement on December 14, 2002.

Statement of Answer filed by Respondent, Multi-Financial Securities Corporation, on or about March 11, 2003.

Respondent, Multi-Financial Securities Corporation, signed the Uniform Submission Agreement on March 10, 2003.

CASE SUMMARY

Claimant asserted the following causes of action: suitability, negligence, omission of facts, misrepresentations, forgery, breach of fiduciary duty, failure to supervise, violations of the Indiana Securities Act and NASD Conduct Rules. The causes of action relate to an investment in Alliance Americas Government Income Trust Fund Class C ("Alliance Fund"). Claimant asserted that the Alliance Fund was aggressive and speculative in nature and was not suitable to Claimant's needs and investment objectives.

Unless specifically admitted in its Answer, Respondent, Multi-Financial Securities Corporation denied the allegations made in the Statement of Claim and asserted the following defenses: there were no misrepresentations or omissions of material fact; Virginia Key (broker for Multi-Financial Securities Corporation) did not commit forgery; there is no controlling persons liability under the Indiana Securities Act; the NASD Rules provide no cause of action; there was no breach of contract; there is no breach of fiduciary duty or constructive fraud; Multi-Financial cannot be held vicariously liable under Respondeat Superior for the conduct of Virginia Key; and there is no cause of action for negligent supervision.

RELIEF REQUESTED

Claimant requested:

Compensatory Damages	\$444,000.00
Punitive Damages	unspecified
Interest	8% per annum
Attorneys' Fees	unspecified
Other Costs	unspecified
Other Monetary/Non-Monetary Relief if any:	treble damages for forgery

Respondent, Multi-Financial Securities Corporation, requested that the Statement of Claim be dismissed in its entirety.

OTHER ISSUES CONSIDERED AND DECIDED

On January 9, 2003, Claimant withdrew her claim for treble damages.

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, 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. Any and all claims asserted by Claimant, Margaret A. Hart, Individually as the Custodian for her IRA and as Executrix of the Estate of Alvin Hart, are denied.
2. Parties shall bear their own costs, including attorneys' fees, except as specified herein.
3. Any and all relief not specifically addressed herein, including punitive damages, is denied.

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. Accordingly, Multi-Financial Securities Corporation is a party and is assessed the following fees:

Member surcharge	= \$1,700.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$2,750.00
Total fees	= \$5,200.00

Forum Fees and Assessments

The Panel has assessed forum fees for each session conducted. A session is any meeting between the parties and the 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 Panel @ \$xxx = \$1,125.00

Pre-hearing conference: August 1, 2003 1 session

Five (5) Hearing sessions @ \$1,125.00 = \$5,625.00

Hearing Dates: December 17, 2003 3 sessions

December 18, 2003 2 sessions

Total Forum Fees = \$6,750.00

1. The Panel has assessed 50% of the total forum fees in the amount of \$3,375.00 solely to Claimant, Margaret A. Hart, Individually as the Custodian for her IRA and as Executrix of the Estate of Alvin Hart.
2. The Panel has assessed 50% of the total forum fees in the amount of \$3,375.00 solely to Respondent, Multi-Financial Securities Corporation.

Fee Summary

1. Claimant, Margaret A. Hart, Individually as the Custodian for her IRA and as Executrix of the Estate of Alvin Hart, is solely liable for:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$3,375.00
Total fees	= \$3,675.00
Less payments	= \$1,425.00
Balance Due NASD Dispute Resolution	= \$2,250.00

2. Respondent, Multi-Financial Securities Corporation, is solely liable for:

Member Fees	= \$5,200.00
Forum Fees	= \$3,375.00
Total Fees	= \$8,575.00
Less payments	= \$5,200.00
Balance Due NASD Dispute Resolution	= \$3,375.00

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

ARBITRATION PANEL

Joseph L. Claypool, Esq.	-	Public Arbitrator, Presiding Chairperson
F. Wesley Bowers, J.D.	-	Public Arbitrator
G. Donald Steel	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

Joseph L. Claypool, Esq.
Public Arbitrator, Presiding Chairperson

1/27/04
Signature Date

F. Wesley Bowers, J.D.
Public Arbitrator

1/28/04
Signature Date

G. Donald Steel
Non-Public Arbitrator

1/26/04
Signature Date

1/27/04
Date of Service (For NASD Dispute Resolution office use only)

NASD Dispute Resolution

Arbitration No. 02-07684

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2. Respondent, Multi-Financial Securities Corporation, is solely liable for:


Member Fees	= \$5,200.00
Forum Fees	= \$3,375.00
Total Fees	= \$8,575.00
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