

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Robert Muchowski IRA (Claimant) v. Linsco/Private Ledger Corp. a/k/a LPL Financial Services and Regina Bolvin (Respondents)

Case Number: 03-00265

Hearing Site: Boston, Massachusetts

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

REPRESENTATION OF PARTIES

Claimant Robert Muchowski IRA ("Muchowski") hereinafter referred to as "Claimant": Jonathan W. Evans, Esq., Jonathan W. Evans & Associates, Studio City, CA.

Respondents Linsco/Private Ledger Corp. a/k/a LPL Financial Services ("LPL") and Regina Bolvin ("Bolvin") hereinafter collectively referred to as "Respondents": Amanda M. Hawley, Esq. and David Freniere, Linsco/Private Ledger Corp., Boston, MA.

CASE INFORMATION

Statement of Claim filed on or about: January 9, 2003.

Claimant signed the Uniform Submission Agreement.

Joint Statement of Answer filed by Respondents on or about: March 10, 2003.

Respondent LPL signed the Uniform Submission Agreement: March 12, 2003.

Respondent Bolvin signed the Uniform Submission Agreement: March 20, 2003.

CASE SUMMARY

Claimant asserted the following causes of action: negligence; fraud, deceit, and omission of material fact; suitability; breach of fiduciary duty and breach of trust; violation of the Securities Exchange Act of 1934; failure to supervise; violation of NASD and NYSE rules and regulations; and breach of contract and breach of implied covenant of good faith and fair dealing. Claimant's claim involved shares of RS Emerging Growth Fund (RSEGX), Fidelity Blue Chip Growth Fund (FBGRX), and Fidelity Magellan Fund (FMAGX).

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

RELIEF REQUESTED

Claimant requested compensatory damages of approximately \$242,907.00; disgorgement of management fees; lost opportunity costs; interest at the legal rate of 10% from the date the Claimant deposited his retirement funds through the date an award is rendered; punitive damages; costs; including expert witness fees; filing fees; and hearing costs; and reasonable attorneys' fees.

Respondents requested that the arbitrators dismiss or deny the Claimant's claim in its entirety. The Respondents also requested that they be awarded reasonable attorneys' fees, arbitration costs and expenses, and also sought an Order directing the expungement of this matter from Respondent Bolvin's record with the Central Registration Depository.

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, and 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. Respondents are jointly and severally liable for and shall pay to Claimant compensatory damages in the amount of \$37,000.00, plus interest at the rate of 12% per annum by Massachusetts Law beginning January 8, 2003 through the date of payment of the award.
2. Respondents are jointly and severally liable for and shall pay to Claimant witness fees for Nicholas Vu in the amount of \$800.00 and for Jeffrey E. Schaff in the amount of \$7,000.00.
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, Linsco/Private Ledger Corp. a/k/a LPL Financial Services is a party.

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

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 @ \$1,125.00	= \$1,125.00
Pre-hearing conference: June 27, 2003 1 session	

Six (6) Hearing sessions @ \$1,125.00	= \$6,750.00
Hearing Dates: May 3, 2004 2 sessions	
May 4, 2004 2 sessions	
May 5, 2004 2 sessions	

Total Forum Fees	= \$7,875.00
------------------	--------------

1. The Panel has assessed \$3,937.50 of the forum fees against Claimant.
2. The Panel has assessed \$1,968.75 of the forum fees against Respondent LPL.
3. The Panel has assessed \$1,968.75 of the forum fees against Respondent Bolvin.

Fee Summary

1. Claimant is solely liable for:

Initial Filing Fee	= \$ 300.00
<u>Forum Fees</u>	= \$3,937.50
Total Fees	= \$4,237.50
<u>Less payments</u>	= \$1,425.00
Balance Due NASD Dispute Resolution	= \$2,812.50

2. Respondent LPL is solely liable for:

Member Fees	= \$5,200.00
<u>Forum Fees</u>	= \$1,968.75
Total Fees	= \$7,168.75
<u>Less payments</u>	= \$5,200.00
Balance Due NASD Dispute Resolution	= \$1,968.75

3. Respondent Bolvin is solely liable for:

<u>Forum Fees</u>	= \$1,968.75
<u>Total Fees</u>	= \$1,968.75
<u>Less payments</u>	= \$ 0.00
<u>Balance Due NASD Dispute Resolution</u>	= \$1,968.75

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

ARBITRATION PANEL

Arnold M. Marrow, Esq.	-	Public Arbitrator, Presiding Chair
Nancy E. Watters, Esq.	-	Public Arbitrator
Edward G. Polansky	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

I, the undersigned arbitrator, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument, which is my award.

Arnold M. Marrow
Arnold M. Marrow, Esq.
Public Arbitrator, Presiding Chairperson

MAY 19, 2004
Signature Date

Nancy E. Watters, Esq.
Public Arbitrator

Signature Date

Edward G. Polansky
Non-Public Arbitrator

Signature Date

May 24, 2004
Date of Service (For NASD Dispute Resolution use only)

ARBITRATION PANEL

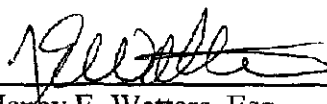
Arnold M. Marrow, Esq.	-	Public Arbitrator, Presiding Chair
Nancy E. Watters, Esq.	-	Public Arbitrator
Edward G. Polansky	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

I, the undersigned arbitrator, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument, which is my award.

Arnold M. Marrow, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date



Nancy E. Watters, Esq.
Public Arbitrator

5/18/04

Signature Date

Edward G. Polansky
Non-Public Arbitrator

Signature Date

May 24, 2004

Date of Service (For NASD Dispute Resolution use only)

ARBITRATION PANEL

Arnold M. Marrow, Esq.	-	Public Arbitrator, Presiding Chair
Nancy E. Watters, Esq.	-	Public Arbitrator
Edward G. Polansky	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

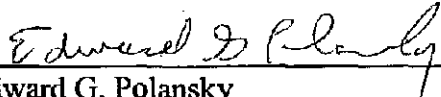
I, the undersigned arbitrator, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument, which is my award.

Arnold M. Marrow, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date

Nancy E. Watters, Esq.
Public Arbitrator

Signature Date



Edward G. Polansky
Non-Public Arbitrator

5/17/04

Signature Date

May 24, 2004

Date of Service (For NASD Dispute Resolution use only)