

**STIPULATED AWARD
NASD Dispute Resolution**

In the Matter of the Arbitration Between

Claimant

Helen Walker

v.

03-00369

Minneapolis, Minnesota

Respondents

Multi-Financial Securities Corporation

Gregory J. Welu and Financial Benefit Group, Inc.

Nature of Dispute: Customer v. Member, Associated Person and Non-Member

REPRESENTATION OF PARTIES

Helen Walker ("Claimant") was represented by Phillip A. Cole, Esq., of Lommen, Nelson, Cole & Stageberg, P.A., Minneapolis, Minnesota.

Multi-Financial Securities Corporation ("Multi-Financial"), Gregory J. Welu ("Welu"), and Financial Benefit Group, Inc. ("FBG"), hereinafter referred to as ("Respondents"), were represented by Julie H. Firestone, Esq., of Briggs & Morgan, P.A., Minneapolis, Minnesota.

CASE INFORMATION

The Statement of Claim was filed on or about January 14, 2003. Submission Agreement of Claimant was signed on or about January 9, 2003.

A Joint Statement of Answer was filed by Respondents Multi-Financial Securities Corporation, Gregory J. Welu, and Financial Benefit Group, Inc. on or about March 27, 2003. Submission Agreement of Respondent Multi-Financial Securities Corporation was signed on or about April 25, 2003. Submission Agreement of Respondent Gregory J. Welu was signed on or about April 25, 2003. Submission Agreement of Respondent Financial Benefit Group, Inc. was signed on or about April 25, 2003.

CASE SUMMARY

Claimant asserted causes of action including the following: violation of Minn. Stats. §§ 80A.01, 80A.02, and 80A.03, violation of the Minnesota Consumer Fraud Act, negligent misrepresentation, breach of fiduciary duty and negligence. The causes of action related to Claimant's allegation that respondents recommended the purchase of variable annuities, including American Skandia Life Vest

and Putnam Hartford Capital Assets, which, according to Claimant were unsuitable given her financial objective of preservation of capital.

Respondents denied the allegations set forth in the Statement of Claim and asserted affirmative defenses including the following: Claimant failed to state a claim upon which relief can be granted; any injuries or damages alleged to have been suffered by Claimant were the proximate result of the actions of persons over whom Respondents had no control; Claimant's claims are barred, in whole or in part, by the equitable doctrines of estoppel, waiver, laches, ratification and/or unclean hands; Claimant is barred from any recovery by virtue of her contributory negligence and constructive notice; and Claimant's claims are barred because she has not suffered any injury in fact or because any damages she allegedly suffered are too speculative to be recovered.

RELIEF REQUESTED

Claimant requested an award in the amount of \$363,087.99, plus interest, costs, attorney's fees, and such other relief as the Panel deemed just and equitable.

Respondents requested that the claims asserted against them be denied in their entirety and that they be awarded their costs and attorneys' fees. Respondents requested that this matter be expunged from Respondent Gregory J. Welu's permanent registration records maintained by the Central Registration Depository ("CRD").

OTHER ISSUES CONSIDERED & DECIDED

Prior to the hearing, the parties fully and finally settled all claims by and between them and Claimant agreed that all claim assert by her against Respondents will be withdrawn. As part of their settlement agreement, the parties submit this Stipulated Award to the Panel for its consideration and request that it be entered.

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 originals remain on file with NASD Dispute Resolution ("NASD").

AWARD

After considering the pleadings and the parties' submissions and representations, but without making any findings of fact or conclusions of law, the undersigned arbitrators orders as follows:

1. Claimant's claims, having been withdrawn, are hereby dismissed with prejudice in their entirety;

2. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Gregory J. Welu'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 Gregory J. Welu must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.
3. To the extent not specifically awarded or otherwise provided for above, all other claims and requests for relief by any party hereto, including punitive damages, are denied with prejudice; and
4. Other than the Forum Fees noted below, the parties shall each bear all other costs and expenses incurred by them in connection with this proceeding, including but not limited to attorneys' fees.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution will retain the non-refundable filing fee 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, the member firm is Multi-Financial Securities Corporation.

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

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 arbitrator(s), including a pre-hearing conference with the arbitrator(s), that lasts four (4) hours or less. Fees associated with these proceedings are:

One (1) Pre-hearing session with Panel x \$ 1,125.00 = \$ 1,125.00

Pre-hearing conference: 07/08/2003 1 session

Total Forum Fees = \$ 1,125.00

The Arbitration Panel has assessed \$ 281.25 of the forum fees to Helen Walker.

The Arbitration Panel has assessed \$ 843.75 of the forum fees jointly and severally to Multi-Financial Securities Corporation, Gregory J. Welu, and Financial Benefit Group, Inc.

Fee Summary

Claimant, Helen Walker is liable for:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$ 281.25
Total Fees	= \$ 581.25
Less payments	= \$ 1,425.00
Balance Refunded By NASD Dispute Resolution	= \$ 843.75

Respondent, Multi-Financial Securities Corporation, is liable for:

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

Respondents, Multi-Financial Securities Corporation, Gregory J. Welu, and Financial Benefit Group, Inc. are jointly and severally liable for:

Forum Fees	= \$ 843.75
Total Fees	= \$ 843.75
Less payments	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 843.75

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

ARBITRATION PANEL

John M. Holmes - Public Arbitrator, Presiding Chair
Margaret Suzanne Blowers - Public Arbitrator
Frank E. Harvey- Non-Public Arbitrator

Concurring Arbitrators:

John M. Holmes
Public Arbitrator, Presiding Chair

Signature Date

Margaret Suzanne Blowers
Public Arbitrator

Signature Date

Frank E. Harvey
Non-Public Arbitrator

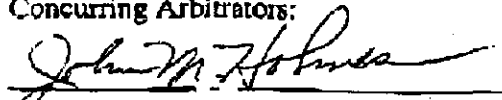
Signature Date

6/22/04
Date of Service (NASD use only)

ARBITRATION PANEL

John M. Holmes - Public Arbitrator, Presiding Chair
Margaret Suzanne Blowers - Public Arbitrator
Frank E. Harvey - Non-Public Arbitrator

Concurring Arbitrators:


John M. Holmes
Public Arbitrator, Presiding Chair

6/21/04
Signature Date

Margaret Suzanne Blowers
Public Arbitrator

Signature Date

Frank E. Harvey
Non-Public Arbitrator

Signature Date

6/22/04
Date of Service (NASD use only)

NASD Dispute Resolution

Arbitration No. 03-00369

Award Page 5 of 5

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John M. Holmes - Public Arbitrator, Presiding Chair

Margaret Suzanne Blowers - Public Arbitrator

Frank E. Harvey- Non-Public Arbitrator

Concurring Arbitrators:

John M. Holmes

Public Arbitrator, Presiding Chair

M. Suzanne Blowers

Margaret Suzanne Blowers

Public Arbitrator

Signature Date

28 May 2004

Signature Date

Frank E. Harvey

Non-Public Arbitrator

Signature Date

6/12/04

Date of Service (NASD use only)

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Margaret Suzanne Blowers - Public Arbitrator
Frank E. Harvey- Non-Public Arbitrator

Concurring Arbitrators:

John M. Holmes
Public Arbitrator, Presiding Chair

Signature Date

Margaret Suzanne Blowers
Public Arbitrator

Signature Date

Frank E. Harvey

Frank E. Harvey
Non-Public Arbitrator

JUNE 1, 2004

Signature Date

6/22/04

Date of Service (NASD use only)

NASD Dispute Resolution, Inc.

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