

AWARD
NASD Dispute Resolution

In the Matter of the Arbitration Between

Name of Claimant

Valerie Serice

and

03-00588
Houston, Texas

Names of Respondents

Stanford Group Company and
Jeffrey W. Young

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

REPRESENTATION OF PARTIES

Valerie Serice ("**Claimant**") was represented by Bertrand C. Moser, Esq., Attorney at Law, in Houston, Texas.

Stanford Group Company ("**Stanford Group**") and Jeffrey W. Young ("**Young**") were represented by Stephen H. Lee, Esq., of Doyle, Restrepo, Harvin & Robbins, LLP, of Houston, Texas.

CASE INFORMATION

The Statement of Claim was filed on or about January 28, 2003.

Submission Agreement of Claimant Valerie Serice was signed on or about February 20, 2003.

The Joint Statement of Answer was filed by Respondents Stanford Group Company and Jeffrey W. Young on or about May 10, 2003.

Submission Agreement of Respondent Stanford Group Company was signed on or about May 7, 2003

Submission Agreement of Respondent Jeffrey W. Young was signed on or about May 7, 2003.

CASE SUMMARY

Claimant alleged the following cause of action: suitability. The cause of action relates to Claimant's allegations that Mr. Young recommended unit investment trusts ("UITs") consisting of aggressive technology and telecommunication stocks, such as Consecro and Genuity.

Respondents denied the allegations set forth in the Statement of Claim. Respondents asserted affirmative defenses including the following: Claimant authorized, consented to and ratified each trade in her account, failed to exercise due diligence or otherwise exercise reasonable care, and failed to mitigate her damages.

RELIEF REQUESTED

Claimant requested an award in the amount of:

Actual/Compensatory Damages	\$65,000
Attorney's Fees	Unspecified
Other Costs	Unspecified
Other Monetary Relief	Unspecified

Respondents requested that the claims asserted against them be denied in their entirety and dismissed with prejudice, that Respondents owe nothing, and that Claimant be ordered to pay all forum fees, along with all other relief, in law or equity, to which they are justly entitled.

OTHER ISSUES CONSIDERED & 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. In either case, the parties have agreed to receive conformed copies of the award while the original(s) remain on file with the NASD Dispute Resolution ("NASD").

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.) Respondents Stanford Group and Young, are jointly and severally liable for and shall pay to Claimant, Valerie Serice, the sum of \$10,282.00 in compensatory damages;

- 2.) That any relief not specifically enumerated, herein, is hereby denied with prejudice.
- 3.) Other than Forum Fees noted below, the parties shall each bear all other costs and expenses incurred by them in connection with this proceeding.

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 = \$225.00

Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firm(s) that employed the associated person(s) at the time of the event(s) giving rise to the dispute. In this matter, the member firm(s) is(are) Stanford Group Company.

Member surcharge	\$	1100.00
Pre-hearing process fee	\$	750.00
Hearing process fee	\$	1700.00
Total Member Fees	\$	3550.00

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

Four (4) Hearing sessions x \$750.00		= \$3000.00
Hearing Dates:	November 18, 2003	2 sessions
	November 19, 2003	2 sessions
Total Forum Fees		= \$3000.00

The Arbitration Panel has assessed \$1,500.00 of the forum fees to Valerie Serice.
The Arbitration Panel has assessed \$1,500.00 of the forum fees jointly and severally to Stanford Group Company and Young.

FEE SUMMARY

Claimant, Valerie Serice, shall be and hereby is liable for:

Initial Filing Fee	= \$	225.00
<u>Forum Fees</u>	= \$	1500.00
Total Fees	= \$	1725.00
<u>Less payments</u>	= \$	975.00
Balance Due NASD Dispute Resolution	= \$	750.00

Respondent, Stanford Group Company, shall be and hereby is liable for:

Member Fees	= \$	3,550.00
Total Fees	= \$	3,550.00
<u>Less payments</u>	= \$	1,850.00
Balance Due NASD Dispute Resolution	= \$	1,700.00

Respondents, Stanford Group Company, Jeffrey W. Young, shall be and hereby are jointly and severally liable for:

<u>Forum Fees</u>	= \$	1,500.00
Total Fees	= \$	1,500.00
<u>Less payments</u>	= \$	0.00
Balance Due NASD Dispute Resolution	= \$	1,500.00

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

ARBITRATION PANEL

Walton L. Huff - Public Arbitrator, Presiding Chair
Joshua D. Wallach - Public Arbitrator
J. Michael Watson - Non-Public Arbitrator

Concurring Arbitrators:

/s/ Walton L. Huff
Walton L. Huff
Public Arbitrator, Presiding Chair

December 9, 2003
Signature Date

/s/ Joshua D. Wallach
Joshua D. Wallach
Public Arbitrator

December 9, 2003
Signature Date

/s/ J. Michael Watson
J. Michael Watson
Non-Public Arbitrator

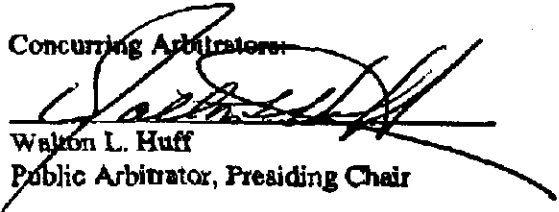
December 11, 2003
Signature Date

December 11, 2003
Date of Service (For NASD office use only)

ARBITRATION PANEL

Walton L. Huff - Public Arbitrator, Presiding Chair
Joshua D. Wallach - Public Arbitrator
J. Michael Watson - Non-Public Arbitrator

Concurring Arbitrators:


Walton L. Huff
Public Arbitrator, Presiding Chair

12/9/03
Signature Date

Joshua D. Wallach
Public Arbitrator

Signature Date

J. Michael Watson
Non-Public Arbitrator

Signature Date

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Public Arbitrator

Signature Date



Signature Date

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Non-Public Arbitrator

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