

**Stipulated Award
NASD Dispute Resolution**

In the Matter of the Arbitration Between:

Name of the Claimants

Case Number: 03-00890

Karol T. Zerr and
Wayne V. Zerr,

Name of the Respondent

Hearing Site: Houston, Texas

Bryan T. Forman,

REPRESENTATION OF PARTIES

Claimants Karol T. Zerr and Wayne V. Zerr, hereinafter collectively referred to as "Claimants," were represented by R. James George, Jr., Esq. and J. Scott Denko, Esq. of George & Donaldson, L.L.P. located in Austin, Texas.

Respondent Bryan T. Forman, hereinafter referred to as "Respondent," was represented by Harry L. Scarborough, Esq. of Fulbright & Jaworski, L.L.P. located in Houston, Texas.

CASE INFORMATION

The Statement of Claim was filed on or about October 23, 2001.

Claimants signed the Uniform Submission Agreement on October 22, 2001.

Respondent filed a Statement of Answer on or about December 20, 2001.

Respondent signed the Uniform Submission Agreement on December 14, 2001.

This case was severed from Case No. 01-05704; Karol T. Zerr and Wayne V. Zerr vs. Azam Jaher, First Avantis Securities, Inc., et al. All above case information relates to Case No. 01-05704.

CASE SUMMARY

Claimants allege various causes of action against all respondents for breach of contract, breach of various duties, breach of Article 581-33, negligence, violations of the Securities Act of 1934, fraud, and deceptive trade practices. In addition, Claimants allege causes of action for direct supervisory negligence and other wrongful conduct under Article 2.21 of the Texas Business & Corporations Act.

Except as expressly admitted in their Response, Respondents generally denied Claimants' allegations. Further, the Respondents filed a Motion to Dismiss with Request for Expungement on the grounds of factual impossibility. Claimants subsequently filed a Notice of Non-Opposition to Motion to Dismiss with Request for Expungement.

The above case summary was provided by counsel for Bryan Forman.

RELIEF REQUESTED

In Case No. 01-05704; Karol T. Zerr and Wayne V. Zerr vs. Azam Jaher, First Avantus Securities, Inc., et al., Claimants requested:

Compensatory Damages	\$8,000,000.00
Punitive Damages	\$16,000,000.00
Interest	Unspecified amount
Attorneys' Fees	Unspecified amount
Other Costs	Unspecified amount

Respondents requested: that the Statement of Claim be denied in its entirety, as well as an award of their costs and fees.

OTHER ISSUES CONSIDERED AND DECIDED

This case was severed from Case No. 01-05704, where Respondent Forman requested, and the panel granted, immediate expungement of his CRD record. The panel issued the following order:

1. Dismissal with prejudice of the claims against Bryan T. Forman;
2. That NASD Dispute Resolution sever Bryan T. Forman's request for expungement;
3. That NASD Dispute Resolution establish a new case, with a new case number, and with a caption of Karol T. Zerr and Wayne V. Zerr v. Bryan T. Forman. This new case should not include any other respondents from the original case;
4. That the panel on the underlying case will be assigned to the new case;
5. That the associated person pay a \$125 filing fee within 30 days in order for NASD Dispute Resolution to process the expungement;
6. That the provisions of Rules 10314, 10321, and 10308 of the NASD Code of Arbitration Procedure do not apply; and
7. That the parties do not have to file additional pleadings in this new claim.

STIPULATED AWARD

Pursuant to the parties' agreement, the Arbitration Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Bryan T. Forman'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 Bryan T. Forman must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.
2. Any and all relief not specifically addressed herein is denied with prejudice.

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	= \$	125.00
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Member Fees

None.

Forum Fees and Assessments

None.

Fee Summary

Respondent Forman is solely liable for:

Initial Filing fee	= \$	125.00
Total Fees	= \$	125.00
Less payments	= \$	00.00
Balance Due NASD Dispute Resolution	= \$	125.00

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 Chairperson
Richard R. Nelson, Jr.- Public Arbitrator
Nick Sacaris - Non-Public Arbitrator

Concurring Arbitrators' Signature(s)

/s/ Walton L. Huff

Walton L. Huff
Public Arbitrator, Presiding Chairperson

February 7, 2003

Signature Date

/s/ Richard R. Nelson, Jr.

Richard R. Nelson, Jr.
Public Arbitrator

February 15, 2003

Signature Date

/s/ Nick Sacaris

Nick Sacaris
Non-Public Arbitrator

February 7, 2003

Signature Date

February 18, 2003


Date of Service (For NASD Dispute Resolution use only)

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

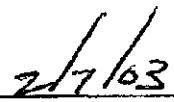
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Richard R. Nelson, Jr.- Public Arbitrator
Nick Sacaris - Non-Public Arbitrator

Concurring Arbitrators' Signature(s)



Walton L. Huff
Public Arbitrator, Presiding Chairperson



Signature Date

Richard R. Nelson, Jr.
Public Arbitrator

Signature Date

Nick Sacaris
Non-Public Arbitrator

Signature Date

Date of Service (For NASD Dispute Resolution use only)

TO: Todd SAITZMAN

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ARBITRATION PANEL

Walton L. Huff -Public Arbitrator, Presiding Chairperson
Richard R. Nelson, Jr.- Public Arbitrator
Nick Sacaris - Non-Public Arbitrator

Concurring Arbitrators' Signature(s)

Walton L. Huff
Public Arbitrator, Presiding Chairperson

Signature Date



Richard R. Nelson, Jr.
Public Arbitrator

2-15-03

Signature Date

Nick Sacaris
Non-Public Arbitrator

Signature Date

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ARBITRATION PANEL

Walton L. Huff -Public Arbitrator, Presiding Chairperson
Richard R. Nelson, Jr.- Public Arbitrator
Nick Sacaris - Non-Public Arbitrator


Concurring Arbitrators' Signature(s)

Walton L. Huff
Public Arbitrator, Presiding Chairperson

Signature Date

Richard R. Nelson, Jr.
Public Arbitrator

Signature Date



Nick Sacaris
Non-Public Arbitrator

2-7-03
Signature Date

Date of Service (For NASD Dispute Resolution use only)