

**Award
NASD Dispute Resolution**

In the Matter of the Arbitration Between:

Name of the Claimant
Mark Pappas

Case Number: 03-00897

Name of the Respondent
Acument Securities, Inc.
David Appleyard

Hearing Site: Philadelphia, PA

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

REPRESENTATION OF PARTIES

Claimant, Mark Pappas, hereinafter referred to as "Claimant", was represented by Anthony J. Hom, Esq., Attorney at Law, New York, New York.

Respondent, Acument Securities, Inc. ("Acument"), was represented by Michael Bolgatz, Esq., Law Offices of Michael G. Bolgatz, Berkeley, California.

Respondent, David J. Appleyard ("Appleyard"), represented himself at the hearing.

CASE INFORMATION

Statement of Claim filed on February 6, 2003.

Claimant signed the Uniform Submission Agreement on January 27, 2003.

Respondent Acument neither filed a Statement of Answer nor a Uniform Submission Agreement with NASD Dispute Resolution.

Statement of Answer filed by Respondent Appleyard on April 1, 2003.

Respondent Appleyard did not file a Uniform Submission Agreement with NASD Dispute Resolution.

CASE SUMMARY

Claimant asserted the following causes of action: negligence, suitability, breach of fiduciary duty and failure to supervise. The causes of action relates to the purchase and sale of Global Crossing common stock.

Unless specifically admitted in his Statement of Answer, Respondent Appleyard denied the allegations made in the Statement of Claim.

RELIEF REQUESTED

Claimant requested:

Compensatory Damages	\$ 195,000.00
Interest	amount unspecified
Attorneys' Fees	amount unspecified
Other Costs	amount unspecified

OTHER ISSUES CONSIDERED AND DECIDED

Respondent Appleyard did not file with NASD Dispute Resolution, a properly executed submission to arbitration but is required to submit to arbitration pursuant to the Code and, having answered the claim, appeared and testified at the hearing, is bound by the determination of the Arbitration Panel (the "Panel") on all issues submitted.

On October 6, 2003, Claimant settled all claims against Respondent Acument.

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. Respondent Appleyard is liable to and shall pay to Claimant the sum of \$65,000.00 in compensatory damages, plus simple interest at a rate of 6% per annum accruing from March 5, 2004 until the award is paid in full;
2. Respondent Appleyard is liable to and shall pay to Claimant the sum of three hundred dollars and no cents (\$300.00) in reimbursement for the initial-claim filing fee;
3. The parties shall bear their respective costs, including attorneys' fees, except as Fees are specifically addressed below; and
3. Any and all relief not specifically addressed herein, is denied in its entirety.

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(s) that employed the associated person(s) at the time of the event(s) giving rise to the dispute.

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

Two (2) Pre-hearing sessions with Panel @ \$ 1,125.00 = \$ 2,250.00

Pre-hearing conferences: September 11, 2003 1 session
October 20, 2003 1 session

One (1) Hearing session @ \$ 1,125.00 = \$ 1,125.00

Hearing Date March 5, 2004 1 session

Total Forum Fees = \$ 3,375.00

1. The Panel has assessed \$ 1,125.00 of the forum fees to Claimant.
2. The Panel has assessed \$ 1,125.00 of the forum fees to Respondent Appleyard.
3. The Panel has assessed \$ 1,125.00 of the forum fees jointly and severally to Respondents Acument and Appleyard.

Fee Summary

1. Claimant is assessed and shall pay:

Initial Filing Fee = \$ 300.00

Forum Fees = \$ 1,125.00

Total Fees = \$ 1,425.00

Less payments = \$ 1,425.00

Balance Due NASD Dispute Resolution = \$ 0.00

2. Respondent Acument is assessed and shall pay:

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

3. Respondent Appleyard is assessed and shall pay:

<u>Forum Fees</u>	= \$ 1,125.00
<u>Total Fees</u>	= \$ 1,125.00
<u>Less payments</u>	= \$ 0.00
<u>Balance Due NASD Dispute Resolution</u>	= \$ 1,125.00

4. Respondents Acument and Appleyard are jointly and severally assessed and shall pay:

<u>Forum Fees</u>	= \$ 1,125.00
<u>Total Fees</u>	= \$ 1,125.00
<u>Less payments</u>	= \$ 0.00
<u>Balance Due NASD Dispute Resolution</u>	= \$ 1,125.00

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

ARBITRATION PANEL

Mariann Edith Schick, Esq.	-	Public Arbitrator, Presiding Chairperson
Edward Blumstein, Esq.	-	Public Arbitrator, Panelist
John W. Engelskirger	-	Non-Public Arbitrator, Panelist

Concurring Arbitrators' Signatures



Mariann Edith Schick, Esq.
Public Arbitrator, Presiding Chairperson

4-16-04

Signature Date

Edward Blumstein, Esq.
Public Arbitrator, Panelist

Signature Date

John W. Engelskirger
Non-Public Arbitrator, Panelist

Signature Date

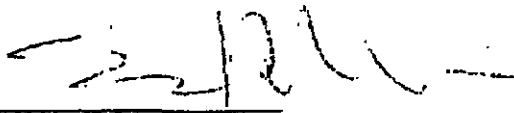
April 21, 2004

Date of Service (For NASD Dispute Resolution office use only)

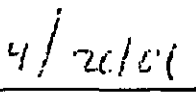
Concurring Arbitrators' Signatures

Mariann Edith Schick, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date



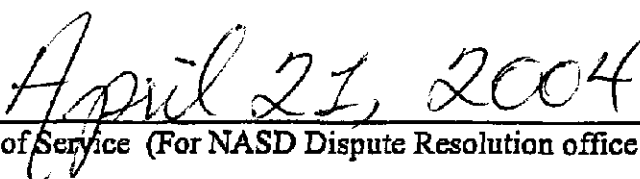
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Mariann Edith Schick, Esq.
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Edward Blumstein, Esq.
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John W. Engelskinger
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