

Award

NASD Dispute Resolution

In the Matter of the Arbitration Between:

Wachovia Securities, LLC f/k/a Wachovia Securities, Inc., Claimant v. Dennis Liu, Respondent

Dennis Liu, Counter-Claimant v. Wachovia Securities, LLC f/k/a Wachovia Securities, Inc., Counter-Respondent

Case Number: 03-01075

Hearing Site: Los Angeles, California

Nature of the Dispute:	Member v. Associated Person Associated Person v. Member
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REPRESENTATION OF PARTIES

**For Claimant/Counter-Respondent
Wachovia Securities, LLC f/k/a
Wachovia Securities, Inc. (“Wachovia Securities”):**

Timothy N. Will, Esq.
Albert & Will, LLP
Torrance, California

**For Respondent/Counter-Claimant
Dennis Liu ("Dennis Liu"):**

Dennis Liu
In Propria Persona
Pasadena, California

CASE INFORMATION

Statement of Claim filed by Wachovia Securities: February 11, 2003

Wachovia Securities' Uniform Submission Agreement signed: February 10, 2003

Statement of Answer and Counterclaim (designated as Cross-Claim) filed by Dennis Liu:
May 1, 2003

Dennis Liu's Uniform Submission Agreement signed: April 25, 2003

Reply to Counterclaim filed by Wachovia Securities: May 14, 2003

CASE SUMMARY

In the Statement of Claim, Wachovia Securities alleged breach of a promissory note.

Dennis Liu denied the allegations of wrongdoing set forth in Wachovia Securities' Statement of Claim and filed a Counterclaim alleging breach of employment agreement, wrongful termination, and violation of state and federal anti-discrimination laws.

In the Reply to the Counterclaim, Wachovia Securities denied the allegations of wrongdoing set forth in Dennis Liu's Counterclaim and asserted various general defenses.

RELIEF REQUESTED

Wachovia Securities requested \$272,735.14 in compensatory damages, \$1,516.86 in interest accrued during the term of the promissory note, unspecified interest from November 8, 2002 to the date of payment, and costs, including attorney's fees.

Dennis Liu requested unspecified damages resulting from his termination and the destruction of his business.

OTHER ISSUES CONSIDERED AND DECIDED

Dennis Liu did not enter an appearance at the telephonic pre-hearing conference on August 29, 2005 or at the evidentiary hearing on February 1, 2006. Upon review of the file and the representations made on behalf of Wachovia Securities, the undersigned Panel determined that Dennis Liu was properly served with the Statement of Claim and received due notice of the hearing, and that arbitration of the matter would proceed without Dennis Liu present, in accordance with the *NASD Code of Arbitration Procedure* (the "Code").

On May 1, 2003, Dennis Liu filed a Statement of Answer and Counterclaim (designated as a Cross-Claim) against Wachovia Securities. Dennis Liu did not remit the Counterclaim filing fee to NASD. At the evidentiary hearing on February 1, 2006, the Arbitration Panel dismissed Dennis Liu's Counterclaim without prejudice due to non-payment of filing fees and Dennis Liu's failure to appear.

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, testimony, and evidence presented at the hearing, the Panel decided in full and final resolution of the issues submitted for determination as follows:

- 1) Dennis Liu is liable to and shall pay Wachovia Securities the sum of \$272,735.14 in compensatory damages.
- 2) Dennis Liu is liable to and shall pay Wachovia Securities the sum of \$58,686.35 in interest.
- 3) Dennis Liu is liable to and shall pay Wachovia Securities the sum of \$750.00 in attorney's fees, pursuant to the terms of the promissory note.
- 4) Dennis Liu's Counterclaim is dismissed without prejudice due to non-payment of filing fees and Dennis Liu's failure to appear.
- 5) Except as awarded above, the parties shall bear their respective costs, including attorney's fees.
- 6) All other relief requested and not expressly granted is denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution received or will collect the non-refundable filing fees for each claim as follows:

Initial claim filing fee	= \$ 1,000.00
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Member Fees

Member fees are assessed to each member firm that is either a party in the matter or an employer of a respondent associated person at the time of the events that gave rise to the dispute, claim, or controversy. Accordingly, the member firm Wachovia Securities is a party and the following fees are assessed:

Member Surcharge	= \$ 1,700.00
Pre-Hearing Process Fee	= \$ 750.00
<u>Hearing Process Fee</u>	<u>= \$ 2,750.00</u>
Total Member Fees	= \$ 5,200.00

Forum Fees and Assessments

The Panel assessed a forum fee for each pre-hearing conference or hearing session conducted. A pre-hearing conference and hearing session is any meeting between the parties and the Panel. The following fees are assessed:

1 Pre-hearing conference session with the Panel @ \$1,125.00/session	= \$ 1,125.00
Pre-hearing conference: August 29, 2005 1 session	

1 Hearing session @ \$1,125.00/session	= \$ 1,125.00
Hearing: February 1, 2006 1 session	

Total Forum Fees	= \$ 2,250.00
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1. The Panel assessed \$1,125.00 of the forum fees to Wachovia Securities.
2. The Panel assessed \$1,125.00 of the forum fees to Dennis Liu.

Fee Summary

1. Wachovia Securities is charged with the following fees and costs:

Initial Filing Fee	= \$ 1,000.00
Member Fees	= \$ 5,200.00
Forum Fees	= \$ 1,125.00
Total Fees	= \$ 7,325.00
Less payments	= \$(7,405.00)
Refund Due Wachovia Securities	= \$(80.00)

2. Dennis Liu is charged with the following fees and costs:

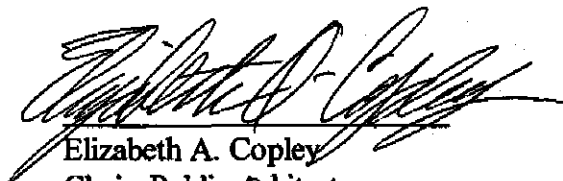
Forum Fees	= \$ 1,125.00
Less unused mediation deposit	= \$(670.00)
Balance Due NASD Dispute Resolution	= \$ 455.00

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


ARBITRATION PANEL

Elizabeth A. Copley	-	Public Arbitrator, Presiding Chair
Carlton R. Robinson, Sr.	-	Public Arbitrator
George Frederick Garriss	-	Non-Public Arbitrator


Concurring Arbitrators' Signatures


Elizabeth A. Copley
Chair, Public Arbitrator

2/1/06
Signature Date


Carlton R. Robinson, Sr.
Public Arbitrator

2/1/06
Signature Date


George Frederick Garriss
Non-Public Arbitrator

2-1-06
Signature Date

2/1/06
Date of Service