

Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

James Dowse, Individually and as Custodian for Melissa Dowse, and Marieanna Dowse, Individually and as Custodian for Peter Dowse, Claimants v. Goldis Financial Group, Inc., Paul Haney and Michael Alfred Goldis, Respondents

Case Number: 03-01207

Hearing Site: New York, New York

Nature of the Dispute: Customers v. Member and Associated Persons

REPRESENTATION OF PARTIES

Claimants, James Dowse ("J. Dowse"), individually and as Custodian for Melissa Dowse ("J. Dowse Custodian") and Marieanna Dowse ("M. Dowse"), individually and as Custodian for Peter Dowse ("M. Dowse Custodian") hereinafter collectively referred to as "Claimants": Christine M. Bae, Esq., Carlton R. Asher, Esq., and William B. Scoville, Jr., Esq., Bae & Associates, P.C., New York, NY.

Respondents, Goldis Financial Group, Inc. ("Goldis Financial"), and Michael Alfred Goldis ("Michael Goldis") hereinafter collectively referred to as the "Goldis Respondents": Scott D. Stechman, Esq., Lehman & Eilen, LLP, Uniondale, NY.

Respondent, Paul Haney ("Haney"): Edward K. Blodnick, Esq., Blodnick, Gordon, Fletcher & Sibell, P.C., Syosset, NY.

Goldis Financial, Michael Goldis, and Haney are hereinafter collectively referred to as "Respondents".

CASE INFORMATION

Statement of Claim filed on or about: February 11, 2003.

Claimant J. Dowse signed the Uniform Submission Agreement: January 6, 2003.

Claimant M. Dowse signed the Uniform Submission Agreement: January 6, 2003.

Claimant M. Dowse Custodian signed the Uniform Submission Agreement: May 14, 2003.

Claimant J. Dowse Custodian signed the Uniform Submission Agreement: May 14, 2003.

Statement of Answer filed by Goldis Financial and Michael Goldis on or about: September 22, 2003.

Respondent Goldis Financial signed the Uniform Submission Agreement: September 22, 2003.

Respondent Michael Goldis signed the Uniform Submission Agreement: September 22, 2003.

Statement of Answer filed by Haney on or about: August 26, 2003.

Respondent Haney signed the Uniform Submission Agreement: July 25, 2003.

CASE SUMMARY

Claimants asserted the following causes of action: churning, suitability, violations of Rule 10b-5 and control person liability. The causes of action relate to the purchase and sales of securities in the Claimants' accounts, most notably AHT Corp.

Unless specifically admitted in their Answer, the Goldis Respondents denied the allegations of wrongdoing set forth in the Statement of Claim and asserted the following defenses: the Claimants have failed to state a claim against the Goldis Respondents for which relief may be granted; the Statement of Claim is barred, in whole or in part, by the applicable statutes of limitations; Claimants were experienced and knowledgeable investors and had knowledge of and assumed the risks incident to investing in securities, therefore any losses sustained by Claimants were caused by Claimants' own decisions and market conditions outside the Goldis Respondents' control and were not caused by any action of the Goldis Respondents; Claimants knew and understood the risks associated with the investments made in their accounts and represented themselves as willing able to assume these risks; Claimants are barred from any recovery under the doctrines of waiver, ratification and estoppel, the Goldis' Respondents acted in good faith and did not directly induce the alleged act or acts, if any, constituting alleged violations of law; Claimants are barred from asserting any claim for improper conduct to the extent that written objection regarding transactions in their accounts was not timely dispatched in accordance with the terms of the customer agreements executed by Claimants when opening their Goldis Financial accounts; Claimants failed to properly allege and cannot prove, the requisites of a claim under federal securities law; and Goldis Financial has a complete defense under §20 of the Securities Exchange Act of 1934 in that at all times mentioned in the Statement of Claim, it maintained an adequate and reasonable system of supervision and control over its employees.

Unless specifically admitted in his Answer, Haney denied the allegations of wrongdoing set forth in the Statement of Claim and asserted the following defenses; the churning claim is improper due to the fact that all the questioned trades were selected by Claimants and merely submitted to Haney for execution; no viable suitability claim can be maintained against Haney insofar as all orders were placed at the direction of Claimants; and no viable Rule 10b-5 claim can be maintained against Haney since he never guaranteed or suggested any rate of return on any investment and therefore could not be responsible for the success of Claimants' investments, all of which were selected by Claimants.

RELIEF REQUESTED

Claimants requested full restitution in the amount of \$132,919.47, interest at the statutory rate of

nine percent (9%), punitive damages in the amount of \$50,000.00, costs in pursuing their claims, attorneys' fees, and such other and further relief as the Panel deems just and proper.

The Goldis Respondents requested: dismissal of the Statement of Claim in its entirety with prejudice; a directive by the Panel that all references to the proceeding be expunged from the CRD records of Respondent Michael Goldis; fees, costs, and attorneys' fees; and such other and further relief as the Panel deems just and proper.

Haney requested: dismissal of the Statement of Claim in its entirety.

OTHER ISSUES CONSIDERED AND DECIDED

On April 28, 2004, the Goldis Respondents filed a motion to dismiss the Statement of Claim. The motion was joined by Haney on May 4, 2004.

On May 27, 2004, the Panel denied the Goldis Respondents' and Haney's motion to dismiss the Statement of Claim, without prejudice.

On July 19, 2004, the parties entered into a settlement agreement pursuant to which the parties have agreed to present to the Panel this Award. The terms of the settlement are memorialized in a Stipulation of Settlement executed by the parties.

The parties have agreed that the Award in this matter may be executed in counterpart copies.

AWARD

The parties entered into an agreement to present to the Panel a Stipulated Award. Now, in lieu of a hearing and upon motion of all parties for entry of the Award, the Panel grants the motion and enters this Award granting the following relief:

1. Each party shall bear their own costs and expenses with the exception of the fees specified below in the fees section. The forum fees assessed by the Panel are allocated as follows: 1/2 payable by Claimants; 1/8 payable by Goldis Financial; 1/8 payable by Michael Goldis; and 1/4 payable by Haney.
2. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Michael Goldis' 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 Michael Goldis must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

3. The parties shall execute any and all documents required by the NASD and the Courts of New York necessary to make these changes.
4. Any and all relief not specifically addressed herein, including punitive damages, is denied.

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 that employed the associated person at the time of the events giving rise to the dispute. In this matter, Goldis Financial Group, Inc. is a party.

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

Forum Fees and Assessments

The 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 arbitrators, that lasts four (4) hours or less. Forum fees associated with these proceedings are:

One (1) Pre-hearing conference session with the Panel @ \$1,125.00	= \$1,125.00
Pre-hearing conference: January 7, 2004 1 session	
Two (2) Pre-hearing conference sessions with a single arbitrator @ \$450.00	= \$ 900.00
Pre-hearing conferences: March 12, 2004 1 session	
June 28, 2004 1 session	
Seven (7) hearing sessions with the Panel @ \$ 1,125.00	= \$7,875.00
Hearing Dates: June 16, 2004 2 sessions	
June 17, 2004 2 sessions	
June 18, 2004 2 sessions	

July 19, 2004 1 session

Total Forum Fees = \$9,900.00

1. The Panel has assessed \$4,950.00 of the forum fees jointly and severally against Claimants.
2. The Panel has assessed \$1,237.50 of the forum fees against Respondent Goldis Financial.
3. The Panel has assessed \$1,237.50 of the form fees against Respondent Michael Goldis.
4. The Panel has assessed \$2,475.00 of the forum fees against Respondent Haney.

Fee Summary

1. Claimants are jointly and severally liable for:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$4,950.00
Total Fees	= \$5,250.00
Less payments	= \$1,425.00
Balance Due NASD Dispute Resolution	= \$3,825.00

2. Respondent Goldis Financial is solely liable for:

Member Fees	= \$5,200.00
Forum Fees	= \$1,237.50
Total Fees	= \$6,437.50
Less payments	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$6,437.50

3. Respondent Michael Goldis is solely liable for:

Forum Fees	= \$1,237.50
Total Fees	= \$1,237.50
Less payments	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$1,237.50

4. Respondent Haney is solely liable for:

Forum Fees	= \$2,475.00
Total Fees	= \$2,475.00
Less payments	= 0.00
Balance Due NASD Dispute Resolution	= \$2,475.00

All balances are due and payable to NASD Dispute Resolution.

Parties' Signatures

James Dowse, Individually, and as
Custodian for Melissa Dowse
Claimant

Signature Date

Mariema Dowse, Individually, and as
Custodian for Peter Dowse
Claimant

Signature Date

GOLDIS FINANCIAL GROUP, INC.

By:

Steven A. Goldis, President
Respondent

WENDY S. CASTALDY
Notary Public, State of New York
No. 01CA4840824
Qualified in Suffolk County
Commission Expires Dec. 31, 2004

7/29/04
Signature Date

Michael Goldis
Respondent

WENDY S. CASTALDY
Notary Public, State of New York
No. 01CA4840824
Qualified in Suffolk County
Commission Expires Dec. 31, 2004

7/29/2004
Signature Date

Paul Haney
Respondent

Signature Date

NASD Dispute Resolution, Inc.

Arbitration No. 03-01207

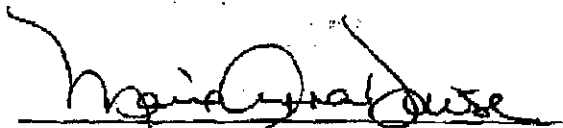
Award Page 6 of 7

Parties' Signatures



James Dowse, Individually, and as
Custodian for Melissa Dowse
Claimant

7/27/04
Signature Date



Marienna Dowse, Individually, and as
Custodian for Peter Dowse
Claimant

7/27/04
Signature Date

GOLDIS FINANCIAL GROUP, INC.

By: _____
Steven A. Goldis, President
Respondent

Signature Date

Michael Goldis
Respondent

Signature Date

Paul Haney
Respondent

Signature Date

Parties' Signatures

James Dowse, Individually, and as
Custodian for Melissa Dowse
Claimant

Signature Date

Marienna Dowse, Individually, and as
Custodian for Peter Dowse
Claimant

Signature Date

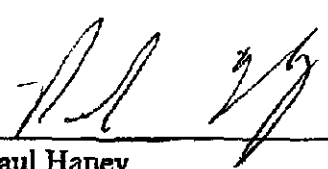
GOLDIS FINANCIAL GROUP, INC.

By: _____
Steven A. Goldis, President
Respondent

Signature Date

Michael Goldis
Respondent

Signature Date



Paul Haney
Respondent

Signature Date

ARBITRATION PANEL

Benjamin D. Krause, Esq.
Mitchel Flaum
Susan E. Harkins, Esq.

Public Arbitrator, Presiding Chair
Public Arbitrator
Non-Public Arbitrator

Concurring Arbitrators' Signatures

I, the undersigned arbitrator, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument, which is my award.



Benjamin D. Krause, Esq.
Public Arbitrator, Presiding Chair



Signature Date

Mitchel Flaum
Public Arbitrator

Signature Date

Susan E. Harkins, Esq.
Non-Public Arbitrator

Signature Date

August 17, 2004
Date of Service (For NASD office use only)

ARBITRATION PANEL

Benjamin D. Krause, Esq.
Mitchel Flaum
Susan E. Harkins, Esq.

Public Arbitrator, Presiding Chair
Public Arbitrator
Non-Public Arbitrator

Concurring Arbitrators' Signatures

I, the undersigned arbitrator, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument, which is my award.

Benjamin D. Krause, Esq.
Public Arbitrator, Presiding Chair

Signature Date

Mitchel Flaum
Mitchel Flaum
Public Arbitrator

July 31, 2004
Signature Date

Susan E. Harkins, Esq.
Non-Public Arbitrator

Signature Date

August 17, 2004
Date of Service (For NASD office use only)

ARBITRATION PANEL

Benjamin D. Krause, Esq.
Mitchel Flaum
Susan E. Harkins, Esq.

Public Arbitrator, Presiding Chair
Public Arbitrator
Non-Public Arbitrator

Concurring Arbitrators' Signatures

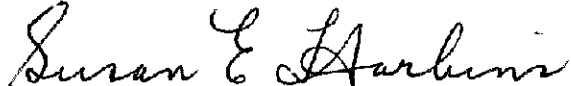
I, the undersigned arbitrator, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument, which is my award.

Benjamin D. Krause, Esq.
Public Arbitrator, Presiding Chair

Signature Date

Mitchel Flaum
Public Arbitrator

Signature Date


Susan E. Harkins, Esq.
Non-Public Arbitrator

8-4-04
Signature Date

August 17, 2004
Date of Service (For NASD office use only)