

Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimant

Stephen R. Cigainero, individually,
and as Beneficiary of the Rollover
IRA of Stephen R. Cigainero, and
The Roth IRA of Stephen R.
Cigainero

Case Number: 03-01467

Names of the Respondents

PFS Investments, Inc.
Stephen R. Martiny

Hearing Site: Atlanta, Georgia

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

REPRESENTATION OF PARTIES

For Stephen R. Cigainero, individually, and as Beneficiary of the Rollover IRA of Stephen R. Cigainero, and The Roth IRA of Stephen R. Cigainero, hereinafter referred to as "Claimant": J. Pat Sadler, Esq., Sadler & Hovdesven, P.C., Atlanta, Georgia.

For PFS Investments, Inc. ("PFS") and Stephen R. Martiny ("Martiny"), hereinafter collectively referred to as "Respondents": Jeffrey W. Willis, Esq., Rogers & Hardin, Atlanta, Georgia.

CASE INFORMATION

Statement of Claim filed on or about: February 26, 2003.

Claimant signed the Uniform Submission Agreement: February 10, 2003.

Statement of Answer filed by Respondents on or about: April 29, 2003.

Respondents signed the Uniform Submission Agreements: May 13, 2003.

CASE SUMMARY

Claimant asserted the following causes of action: suitability violations; breach of fiduciary duty; negligence; failure to supervise; and, respondeat superior. The causes of action relate to Claimant's investments in "B" shares of four Van Kampen funds: Enterprise; Emerging Growth; Technology; and, Equity Income.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

Claimant requested compensatory damages in the amount of \$278,123.67 for trading losses; reasonable attorneys' fees in the amount of not less than \$139,000.00; interest; the costs of this

action; and, such other and further relief as the arbitration panel deemed just and appropriate.

Respondents requested that all claims against them be dismissed with prejudice; that Claimant be ordered to compensate Respondents for their attorneys' fees and other expenses of litigation; that all forum fees in this matter be assessed against Claimant; and, that Respondents be granted such further relief as the arbitration panel deemed just and proper.

OTHER ISSUES CONSIDERED AND DECIDED

On or about May 12, 2004, Claimant advised NASD Dispute Resolution that the case had been settled as to all parties.

On or about July 29, 2004, Respondents filed with NASD Dispute Resolution an executed copy of the Joint Motion Requesting that the Panel Recommend the Expungement of the Matter from Stephen R. Martiny's Records (the "Motion") and an Order Recommending Expungement (the "Order").

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

AWARD

After considering the pleadings, the Motion and the Order, the undersigned arbitrators (the "Panel") have decided in full and final resolution of the issues submitted for determination as follows:

The Panel recommends the expungement of all references to the above captioned arbitration from Respondent Martiny'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 Martiny must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

FEES

Pursuant to the NASD Code of Arbitration Procedure (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
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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 is a party.

Member surcharge	= \$1,700.00
Pre-hearing process fee	= \$750.00
Hearing process fee	= \$2,750.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

No adjournment fees were incurred in this matter.

Injunctive Relief Fees

Injunctive relief fees are assessed to each member or associated person who files for a temporary injunction in court. Parties in these cases are also assessed arbitrator travel expenses and costs when an arbitrator is required to travel outside his or her hearing location and additional arbitrator honoraria for the hearing for permanent injunction. These fees, except the injunctive relief surcharge, are assessed equally against each party unless otherwise directed by the Panel.

No injunctive relief fees were incurred in this matter.

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:

One (1) Pre-hearing session with the Panel @ \$1,125.00	= \$1,125.00
Pre-hearing conference: August 27, 2003	1 session
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Total Forum Fees	= \$1,125.00

The Panel has assessed \$562.50 of the forum fees to Claimant.

The Panel has assessed \$562.50 of the forum fees jointly and severally to Respondents.

Administrative Costs

Administrative costs are expenses incurred due to a request by a party for special services beyond the normal administrative services. These include, but are not limited to, additional copies of arbitrator awards, copies of audio transcripts, retrieval of documents from archives, interpreters, and security.

No administrative costs were incurred in this matter.

FEE SUMMARY

Claimant is solely liable for:

Initial Filing Fee	= \$300.00
Forum Fees	= \$562.50

Total Fees	= \$862.50
Less payments	= \$862.50

Balance Due NASD Dispute Resolution	= \$0.00
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Respondent PFS is solely liable for:

Member Fees	= \$5,200.00
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Total Fees	= \$5,200.00
Less payments	= \$5,200.00

Balance Due NASD Dispute Resolution	= \$0.00
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Respondents are jointly and severally liable for:

Forum Fees	= \$562.50
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Total Fees	= \$562.50
Less payments	= \$0.00

Balance Due NASD Dispute Resolution	= \$562.50
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All balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

Lawrence M. Oberdank, Esq.	-	Public Arbitrator, Presiding Chair
Dave Wolf, Jr.	-	Public Arbitrator
Marshall H. Lichtenstein, Esq.	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

_____/S/_____
Lawrence M. Oberdank, Esq.
Public Arbitrator, Presiding Chair

Signature Date

_____/S/_____
Dave Wolf, Jr.
Public Arbitrator

Signature Date

_____/S/_____
Marshall H. Lichtenstein, Esq.
Non-Public Arbitrator

Signature Date

August 13, 2004
Date of Service (For NASD Dispute Resolution office use only)

Total Fees	= \$862.50
Less payments	= \$862.50

Balance Due NASD Dispute Resolution	= \$0.00
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Respondent PFS is solely liable for:

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Less payments	= \$5,200.00

Balance Due NASD Dispute Resolution	= \$0.00
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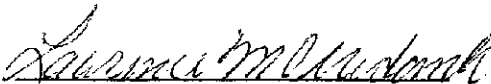
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ARBITRATION PANEL

Lawrence M. Oberdank, Esq.	-	Public Arbitrator, Presiding Chair
Dave Wolf, Jr.	-	Public Arbitrator
Marshall H. Lichtenstein, Esq.	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures


Lawrence M. Oberdank, Esq.
Public Arbitrator, Presiding Chair


Signature Date

Dave Wolf, Jr.
Public Arbitrator

Signature Date

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Less payments	= \$862.50

Balance Due NASD Dispute Resolution	= \$0.00
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Balance Due NASD Dispute Resolution	= \$0.00
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Total Fees	= \$562.50
Less payments	= \$0.00

Balance Due NASD Dispute Resolution	= \$562.50
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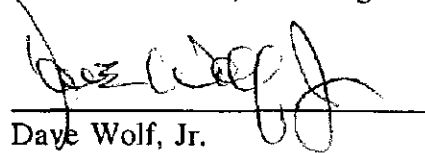
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ARBITRATION PANEL

Lawrence M. Oberdank, Esq.	-	Public Arbitrator, Presiding Chair
Dave Wolf, Jr.	-	Public Arbitrator
Marshall H. Lichtenstein, Esq.	-	Non-Public Arbitrator

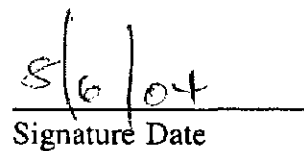
Concurring Arbitrators' Signatures

Lawrence M. Oberdank, Esq.
Public Arbitrator, Presiding Chair



Dave Wolf, Jr.
Public Arbitrator

Signature Date



Signature Date

AUG. 12. 2004 11:50AM

NASD DISPUTE RESOLUTION

NO. 077 P. 6/8

NASD Dispute Resolution

Arbitration No. 03-01467

Stipulated Award Page 3

Marshall H. Lichtenstein

Marshall H. Lichtenstein, Esq.

Non-Public Arbitrator

8/12/04

Signature Date

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

BEFORE THE NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the matter of the arbitration between:)	
)	
STEPHEN R. CIGAINERO, INDIVIDUALLY,)	NASD No. 03-01467
and AS BENEFICIARY OF THE ROLLOVER)	
IRA OF STEPHEN R. CIGAINERO, and)	
THE ROTH IRA OF STEPHEN R. CIGAINERO,)	
)	
Claimant,)	
)	
v.)	
)	
PFS INVESTMENTS, INC. and STEPHEN R.)	
MARTINY,)	
)	
Respondents.)	

ORDER RECOMMENDING EXPUNGEMENT

Claimant Stephen R. Cigainero and Respondents PFS Investments, Inc. and Stephen R. Martiny, constituting all parties to this matter, have submitted a Joint Motion requesting that the Panel recommend the expungement of all references to this arbitration from the registration records of Stephen R. Martiny maintained by the NASD Central Registration Depository of the NASD (the "CRD").

For the reasons stated in the Joint Motion, the undersigned Arbitrators in this matter hereby recommend the expungement of all references to this arbitration from the registration records of Stephen R. Martiny maintained by the Central Registration Depository of the NASD, with the understanding that pursuant to NASD Notice to Members 99-09, Mr. Martiny must

obtain confirmation of such recommendation from a court of competent jurisdiction.

This 5th day of August, 2004.

Assence M. W. Clark
Chairman

Arbitrator

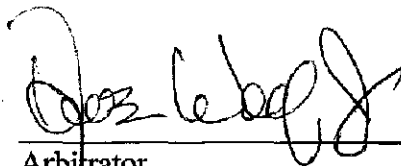
Arbitrator

obtain confirmation of such recommendation from a court of competent jurisdiction.

This 7th day of August, 2004.



Chairman



Arbitrator

Arbitrator

obtain confirmation of such recommendation from a court of competent jurisdiction.

This ____ day of _____, 2004.

Chairman

Arbitrator

Marshall H. Lichtenstein - 8/12/04

Arbitrator