

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Vincent De Sciose Trust, Claimant v. Finance 500, Inc. and Stephen P. Becker, Respondents

Case Number: 03-01527

Hearing Site: Los Angeles, California

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

REPRESENTATION OF PARTIES

For Claimant:

**Chris W. Halling, Esq.
Agapay, Levyn & Halling LLP
Los Angeles, California**

For Respondents:

**James R. Duncan, Esq.
Law Offices of
James R. Duncan
Pasadena, California**

CASE INFORMATION

Statement of Claim filed: March 3, 2003

Claimant's Uniform Submission Agreement signed: February 27, 2003

Statement of Answer filed by Respondent Finance 500, Inc.: May 16, 2003

Respondent Finance 500, Inc.'s Uniform Submission Agreement signed: May 10, 2003

Statement of Answer filed by Respondent Stephen P. Becker: May 16, 2003

Respondent Stephen P. Becker's Uniform Submission Agreement signed: May 8, 2003

CASE SUMMARY

Claimant alleged breach of fiduciary duty, unsuitability, misrepresentation, non-disclosure, omission of facts and failure to supervise. Claimant's allegations involved the purchase of Worldcom, Inc. notes.

Respondents each denied the allegations of wrongdoing set forth in the Claimant's Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

Claimant requested \$106,966.20 in compensatory damages, \$106,966.20 in punitive damages, interest of 10% per annum on the amount Claimant invested, or alternatively at \$29.31 per day, from June 11, 2002 through date of payment of the award and reimbursement of costs, including attorney's fees.

Respondents each requested dismissal of the Claimant's Statement of Claim in its entirety and reimbursement of costs, including attorney's fees.

OTHER ISSUES CONSIDERED AND DECIDED

On May 23, 2003, Claimant and Claimant's counsel signed a Waiver Agreement expressly waiving any and all rights and benefits under California Civil Code Section 1542 and the California Ethical Standards for Neutral Arbitrators.

Pursuant to the Code of Arbitration Procedure IM-10100, the waiver of the Claimant shall constitute and operate as a waiver for all member firms and associated persons (including terminated or otherwise inactive member firms or associated persons) against whom the Claim has been filed.

On March 15, 2004, Respondent Finance 500, Inc. moved the Panel to Dismiss Claimant's Statement of Claim. After due deliberation, the Panel denied the motion.

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) Claimant's claims are denied in their entirety.
- 2) The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Stephen P. Becker's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 99-09, Respondent Stephen P. Becker must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.
- 3) The parties shall bear their respective costs, including attorney's fees.
- 4) 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	= \$ 300.00
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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 Finance 500, Inc. is a party and the following fees are assessed:

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 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 Chair or the parties and the Panel. The following fees are assessed:

One (1) Pre-hearing conference session with the Panel @ \$1,125.00/session	= \$1,125.00
Pre-hearing conference: September 11, 2003	1 session
Seven (7) Hearing sessions @ \$1,125.00/session	= \$7,875.00
Hearings: January 27, 2004	2 sessions
January 28, 2004	2 sessions
March 15, 2004	3 sessions
Total Forum Fees	= \$9,000.00

1. The Panel assessed \$4,500.00 of the forum fees to Claimant Vincent De Sciose Trust.
2. The Panel assessed \$4,500.00 of the forum fees to Respondent Finance 500, Inc.

Administrative Costs

Administrative costs are expenses incurred because a party requested additional services beyond the normal administrative services. These additional services include, but are not limited to, additional copies of arbitrator awards, copies of audio transcripts, retrieval of documents from archives, interpreters, security, and sundry other requests.

Respondent Finance 500, Inc., requested 47 photocopies @ \$.50	= \$ 23.50
Respondent Finance 500, Inc., requested Duplication of 4 audio tapes @ \$15.00	= \$ 60.00

Fee Summary

1. Claimant Vincent De Sciose Trust is charged with the following fees and costs:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$ 4,500.00
Total Fees	= \$ 4,800.00
Less payments	= \$(1,425.00)
Balance Due NASD Dispute Resolution	= \$ 3,375.00

2. Respondent Finance 500, Inc. is charged with the following fees and costs:

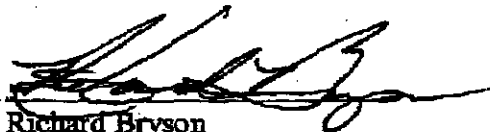
Member Fees	= \$ 5,200.00
Forum Fees	= \$ 4,500.00
Administrative Costs	= \$ 83.50
Total Fees	= \$ 9,783.50
Less payments	= \$(5,260.00)
Balance Due NASD Dispute Resolution	= \$ 4,523.50

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.

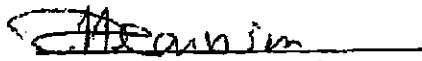
ARBITRATION PANEL

Richard Bryson	-	Public Arbitrator, Presiding Chair
Michael D. Harrison, Esq.	-	Public Arbitrator
Barton J. Brewer	-	Non-Public Arbitrator

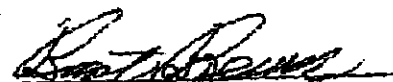
Concurring Arbitrators' Signatures


Richard Bryson
Chair, Public Arbitrator

3/15/04
Signature Date


Michael D. Harrison, Esq.
Public Arbitrator

3/15/04
Signature Date


Barton J. Brewer
Non-Public Arbitrator

3/15/04
Signature Date

3/16/04
Date of Service