

**STIPULATED AWARD
NASD DISPUTE RESOLUTION**

In the Matter of the Arbitration Between:

FRANCIS McCUTCHAN and SCOTT SCHONDAU (Claimants) vs.
SAMCO CAPITAL MARKETS, a DIVISION OF SERVICE ASSETS MANAGEMENT
COMPANY, PENSON FINANCIAL SERVICES, INC. and LEE MAVERICK(Respondents)

CASE NUMBER: 03-01532

HEARING SITE: Dallas, Texas

REPRESENTATION OF PARTIES

Claimants, Francis McCutchan and Scott Schondau, hereinafter collectively referred to as
"Claimants": Ruth Ann Daniels, Esq., and Bryan D. Perkins, Esq., Gibson, McClure, Wallace &
Daniels, L.L.P., 8080 North Central Expressway, Suite 1300, Dallas, Texas 75206.

Respondents, SAMCO Capital Markets, a Division of Service Assets Management Company,
Penson Financial Services, Inc. and Lee Maverick, herein collectively referred to as
"Respondents": Stephen A. Kennedy, Jackson Walker L.L.P., 901 Main Street, Suite 6000,
Dallas, Texas 75202.

CASE INFORMATION

Statement of Claim filed on or about: 3/03/03

Claimant, Francis McCutchan, signed the Uniform Submission Agreement: 3/03/03

Claimant, Scott Schondau, signed the Uniform Submission Agreement: 3/03/03

Respondents' Answer and Counterclaim Answer filed by SAMCO Capital Markets,
a Division of Service Assets Management Company,

Penson Financial Services, Inc. and Lee Maverick, on or about: 4/30/03

Respondent, SAMCO Capital Markets, signed the Uniform Submission Agreement: 4/29/03

Respondent, Penson Financial Services, Inc., signed the Uniform Submission Agreement:
3/24/03

Respondent, Lee Maverick, signed the Uniform Submission Agreement:4/25/03

Claimant's Reply to Respondents' Counterclaim filed on or about: 5/12/03

CASE SUMMARY

Claimants asserted the following causes of action: Defamation on Form U-5

Unless specifically admitted in its Answer, Respondents denied the allegations made in the
Statement of Claim and asserted the following counterclaims: misappropriation and conversion
of trade secrets; tortuous interference with business relations; breach of fiduciary duties and
business disparagement/defamation.

Claimants denied the allegations made in the Counterclaims.

RELIEF REQUESTED

Claimants requested: compensatory and punitive damages, expungement of the Form U-5s dated/filed February 10, 2003 by Respondents from Claimants' Central Depository Record ("CRD") records.

Respondents requested: injunctive relief, punitive damages and recovery of attorneys' fees.

OTHER ISSUES CONSIDERED AND DECIDED

The parties have agreed that the Award in this matter may be executed in counterpart copies or that a handwritten, signed Award may be entered.

Claimants and Respondents have further agreed that, in consideration of the expungement award set forth below, (a) Claimants' waive their request for any and all other relief set forth in their Statement of Claim, including their request for compensatory and punitive damages, and (b) Respondents' waive their request for any and all relief set forth in their Answer and Counterclaims, including their requests for injunctive relief, punitive damages and attorneys' fees.

AWARD

After considering the parties' submissions and representations, but without making any findings of fact or conclusions of law, the undersigned arbitrators order as follows:

- 1.) The panel recommends the expungement from the registration records maintained by the NASD CRD for Claimants Francis McCutchan and Scott Schondau of: (a) the Form U-5s concerning Claimants dated/filed February 10, 2003, by Respondents with the NASD CRD; (b) any amended Form U-5s that were filed by Respondents to modify or amend the Form U-5s dated/filed February 10, 2003; and (c) any and all references to this arbitration proceeding, due to the defamatory nature of the information contained therein. The parties further agree that if the NASD should so require, then pursuant to NASD Notice to Members 99-09, Claimants and Respondents will obtain confirmation of that award from a Court of competent jurisdiction in order that the CRD will execute the expungement directive.
- 2.) That any relief not specifically enumerated is hereby denied with prejudice.

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	= \$ 600.00
Counter claim filing fee	= \$ 500.00

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 persons at the time of the events giving rise to the dispute. Accordingly, Penson Financial Services, Inc. and SAMCO Capital Markets, a Division of Service Assets Management Company are parties to the arbitration and the following member fees are assessed each member firm:

Member surcharge	= \$ 3,750.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$ 5,500.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

April 20-22, 2004, adjournment by all parties	= \$ 1,200.00
\$240.00 assessed to each party	

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 Panel @ \$1,200.00	= \$ 1,200.00
Pre-hearing conference: November 4, 2003 1 session	
Total Forum Fees	= \$ 1,200.00

The Panel assessed \$600.00 of the forum fees, jointly and severally, to Claimants Francis McCutchan and Scott Schondau. In addition, the Panel has assessed \$600.00 of the forum fees, jointly and severally, to Respondents SAMCO Capital Markets, a Division of Service Assets Management Company, Penson Financial Services, Inc. and Lee Maverick.

FEE SUMMARY

Claimants Francis McCutchan and Scott Schondau are jointly and severally liable for:

Initial Filing Fee	= \$ 600.00
Adjournment Fee	= \$ 240.00
Forum Fees	= \$ 600.00
Total Fees	= \$ 1,440.00
Less payments	= \$ 1,440.00

NASD Dispute Resolution

Arbitration No. 03-01532

Award Page 4 of 5

Balance Due NASD Dispute Resolution = \$ 0.00

Respondent SAMCO Capital Markets, a Division of Service Assets Management Company is solely liable for:

Filing Fee	= \$ 500.00
Member Fees	= \$10,000.00
<u>Adjournment Fee</u>	= \$ 240.00
Total Fees	= \$10,740.00
<u>Less payments</u>	= \$10,740.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondent Penson Financial Services, Inc. is solely liable for:

Member Fees	= \$10,000.00
<u>Adjournment Fee</u>	= \$ 240.00
Total Fees	= \$10,240.00
<u>Less payments</u>	= \$10,240.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondent Lee Maverick is solely liable for:

<u>Adjournment Fee</u>	= \$ 240.00
<u>Less payments</u>	= \$ 240.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondents SAMCO Capital Markets, a Division of Service Assets Management Company, Penson Financial Services, Inc. and Lee Maverick are jointly and severally liable for:

Forum Fees	= \$ 600.00
<u>Less payments</u>	= \$ 600.00
Balance Due NASD Dispute Resolution	= \$ 0.00

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

ARBITRATION PANEL

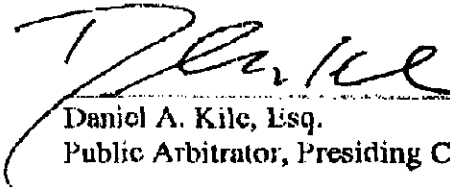
Daniel A. Kile, Esq. - Public Arbitrator, Presiding Chair
Maxel B. Silverberg, Esq. - Public Arbitrator
Keith L. Saunders - Industry Arbitrator

NASD Dispute Resolution

Arbitration No. 03-01532

Award Page 5 of 5

Concurring Arbitrators' Signatures


Daniel A. Kile, Esq.
Public Arbitrator, Presiding Chair

March 4, 2005
Signature Date

Maxel B. Silverberg, Esq.
Public Arbitrator

Signature Date

Keith L. Saunders
Industry Arbitrator

Signature Date

3/14/05 ms
Date of Service

NASD Dispute Resolution

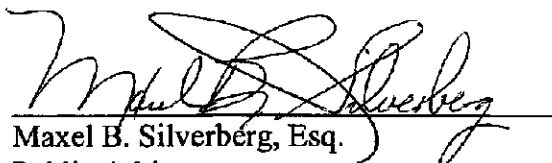
Arbitration No. 03-01532

Award Page 5 of 5

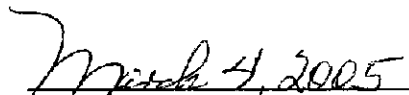
Concurring Arbitrators' Signatures

Daniel A. Kile, Esq.
Public Arbitrator, Presiding Chair

Signature Date



Maxel B. Silverberg, Esq.
Public Arbitrator



Signature Date

Keith L. Saunders
Industry Arbitrator

Signature Date



Date of Service

NASD Dispute Resolution

Arbitration No. 03-01532

Award Page 5 of 5

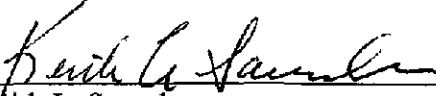
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Daniel A. Kile, Esq.
Public Arbitrator, Presiding Chair

Signature Date

Maxel B. Silverberg, Esq.
Public Arbitrator

Signature Date



Keith L. Saunders
Industry Arbitrator

3/2/05

Signature Date

3/14/05 

Date of Service