

**Stipulated Award
NASD Dispute Resolution**

COPY

In the Matter of the Arbitration Between:

Nicholas Aronis; Linda Babin; Dan and Lois Blaga; Jeff and Tammie Butler; Robert and Beth Campbell; Jonathan Campbell; Kevin Cotter; Paul Dillon; John and Suzanne Ferrari; Larry Freeman; Jim Garibaldi; Ren and Gail Grendahl; James Huzella; Norbert Huzella; Ronald W. Frank; David C. James; Nancy Jones-Liss; Gary Klopfenstein; Dee Dee Le and Gary Troiani; Lilian Hua Li; Jonathan Long; William and Eve Lowry; Chris Miller; George Miller; Leslie Mueggenburg; Susan Schwartz; Jeff Stiles; John and Stacy Veth; Rui Yung Wang; Margie Welch; and Richard J. and Robin Wetmore, Claimants v. Woodbury Financial Services, Inc.; Sigma Financial Corporation; Sammons Securities Company, LLC; and Gary S. Wood, Respondents

Woodbury Financial Services, Inc., Cross-Claimant v. Gary S. Wood, Cross-Respondent

Woodbury Financial Services, Inc., Counter-Claimant v. Norbert Huzella and Chris Miller, Counter-Respondents

Sammons Securities Company, LLC, Cross-Claimant v. Gary S. Wood, Cross-Respondent

Sammons Securities Company, LLC, Counter-Claimant v. Norbert Huzella and Chris Miller, Counter-Respondents

Gary S. Wood, Counter-Claimant v. Norbert Huzella and Chris Miller, Counter-Respondents

Case Number: 03-02037

Hearing Site: San Francisco, California

Nature of the Dispute: Customers vs. Members and Associated Person

Member vs. Associated Person

Member vs. Customers

Member vs. Associated Person

Member vs. Customers

Associated Person v. Customers

REPRESENTATION OF PARTIES

For Claimants Nicholas Aronis, Linda Babin, Dan and Lois Blaga, Jeff and Tammie Butler, Robert and Beth Campbell, Jonathan Campbell, Larry Freeman, James Huzella, Ronald W. Frank, Nancy Jones-Liss, Gary Klopfenstein, Dee Dee Le and Gary Troiani, Jonathan Long, William and Eve Lowry, George Miller, Susan Schwartz, Jeff Stiles, John and Stacy Veth, and Margie Welch:

William P. Torngren, Esq.
Sacramento, California

For Claimant Kevin Cotter:

Kevin Cotter
Yuba City, California

For Claimant Paul Dillon:

Paul Dillon
Folsom, California

For Claimants John and Suzanne Ferrari:

John and Suzanne Ferrari
San Rafael, California

For Claimant Jim Garibaldi:

Jim Garibaldi
San Mateo, California

For Claimants Ren and Gail Grendahl:

Ren and Gail Grendahl
San Rafael, California

For Claimant Norbert Huzella:

Norbert Huzella
San Rafael, California

For Claimant David C. James:

David C. James
Alpharetta, Georgia

For Claimant Lilian Hua Li:

Lilian Hua Li
Reno, Nevada

For Claimant Chris Miller:

Chris Miller
Granite Bay, California

For Claimant Leslie Mueggenburg:

Leslie Mueggenburg
Roseville, California

For Claimant Rui Yung Wang:

Rui Yung Wang
Reno, Nevada

For Claimants Richard J. and Robin Wetmore:

Richard J. and Robin Wetmore
Sacramento, California

For Respondent Woodbury Financial Services, Inc.:

Paul A. Fischer, Esq.
Jorden Burt LLP
Washington, DC

For Respondent Sammons Securities Company, LLC:

Tad A. Devlin, Esq.
Gordon & Rees LLP
San Francisco, California

For Respondent Gary S. Wood:

Steven Benjamin, Esq.
Law Offices of Steven Benjamin
Sacramento, California

CASE INFORMATION

Statement of Claim filed: March 20, 2003

Claimants' Opposition to the Motion to Dismiss submitted by Woodbury Financial Services, Inc. and joined by Gary S. Wood filed: November 4, 2003

Claimants' Opposition to the Motion for More Definite Statement submitted by Woodbury Financial Services, Inc. and joined by Gary S. Wood filed: November 4, 2003

Claimants' Opposition to Motion to Stay Proceedings submitted by Woodbury Financial Services, Inc., to Joint Motion to Stay Discovery submitted by the Broker-Dealer Respondents, and to Gary S. Wood's Joinder filed: November 4, 2003

Statement of Answer of Norbert Huzella and Chris Miller to Cross-Claim of Gary S. Wood filed: November 14, 2003

Statement of Answer of Norbert Huzella and Chris Miller to Counterclaim of Woodbury Financial Services, Inc. filed: November 20, 2003

Statement of Answer of Norbert Huzella and Chris Miller to Counterclaim of Sammons Securities Company, LLC filed: December 1, 2003

Claimant Nicholas Aronis' Uniform Submission Agreement signed: March 17, 2003

Claimant Linda Babin's Uniform Submission Agreement signed: March 12, 2003

Claimants Dan and Lois Blaga's Uniform Submission Agreement signed: March 6, 2003

Claimants Jeff and Tammie Butler's Uniform Submission Agreement signed: March 12, 2003

Claimants Robert and Beth Campbell's Uniform Submission Agreement signed: March 10, 2003

Claimant Jonathan Campbell's Uniform Submission Agreement signed: March 12, 2003

Claimant Kevin Cotter's Uniform Submission Agreement signed: March 12, 2003

Claimant Paul Dillon's Uniform Submission Agreement signed: March 13, 2003

Claimants John and Suzanne Ferrari's Uniform Submission Agreement signed: March 18, 2003

Claimant Larry Freeman's Uniform Submission Agreement signed: March 12, 2003

Claimant Jim Garibaldi's Uniform Submission Agreement signed: March 7, 2003

Claimants Ren and Gail Grendahl's Uniform Submission Agreement signed: March 12, 2003

Claimant James Huzella's Uniform Submission Agreement signed: March 6, 2003

Claimant Norbert Huzella's Uniform Submission Agreement signed: March 6, 2003

Claimant Ronald W. Frank's Uniform Submission Agreement signed: September 29, 2005

Claimant David C. James' Uniform Submission Agreement filed: April 2, 2003

Claimant Nancy Jones-Liss' Uniform Submission Agreement signed: March 6, 2003

Claimant Gary Klopfenstein's Uniform Submission Agreement signed: March 12, 2003

Claimants Dee Dee Le and Gary Troiani's Uniform Submission Agreement signed: March 5, 2003

Claimant Lilian Hua Li's Uniform Submission Agreement signed: March 18, 2003

Claimant Jonathan Long's Uniform Submission Agreement signed: March 12, 2003

Claimant William Lowry's Uniform Submission Agreement signed: March 4, 2003

Claimant Eve Lowry's Uniform Submission Agreement signed: March 13, 2003

Claimant Chris Miller's Uniform Submission Agreement signed: March 13, 2003

Claimant George Miller's Uniform Submission Agreement signed: March 14, 2003

Claimant Leslie Mueggenburg's Uniform Submission Agreement signed: March 16, 2003

Claimant Susan Schwartz's Uniform Submission Agreement signed: March 14, 2003

Claimant Jeff Stiles' Uniform Submission Agreement signed: March 10, 2003

Claimants John and Stacy Veth's Uniform Submission Agreement signed: March 15, 2003

Claimant Rui Yung Wang's Uniform Submission Agreement signed: March 6, 2003

Claimant Margie Welch's Uniform Submission Agreement signed: March 12, 2003

Claimants Richard J. and Robin Wetmore's Uniform Submission Agreement signed: March 12, 2003

Respondent Woodbury Financial Services, Inc.'s ("Woodbury") Statement of Answer, Affirmative Defenses, and Cross-Claim against Gary S. Wood filed: July 9, 2003

Respondent Woodbury's Motion to Dismiss or, in the alternative, Motion for More Definite Statement filed: July 9, 2003

Motion of Woodbury to Stay Proceedings filed: July 9, 2003

Joint Motion of Woodbury and Sammons Securities Company, LLC to Stay Discovery filed: October 16, 2003

Woodbury's Amended Answer, Affirmative Defenses, Cross-Claim against Gary S. Wood, and Counterclaims against Norbert Huzella and Chris Miller filed: November 11, 2003

Motion of Woodbury for Leave to Amend Answer and Second Amended Answer, Affirmative Defenses, Cross-Claim against Gary S. Wood, and Counterclaims against Norbert Huzella and Chris Miller filed: March 16, 2004

Respondent Woodbury's Uniform Submission Agreement signed: June 26, 2003

Statement of Answer filed by Respondent Sammons Securities Company, LLC ("Sammons"): June 23, 2003

Motion of Respondent Sammons to Dismiss or, in the alternative, Motion for More Definite Statement and Motion to Join Woodbury's Motion to Stay Proceedings filed: July 25, 2003

Respondent Sammons' Amended Statement of Answer, Affirmative Defenses, Cross-Claim against Gary S. Wood, and Counterclaims against Norbert Huzella and Chris Miller filed: November 20, 2003

Respondent Sammons' Amended Answer, Affirmative Defenses, Cross-Claim against Gary S. Wood, and Counterclaims against Norbert Huzella and Chris Miller filed: April 7, 2004

Respondent Sammons' Uniform Submission Agreement signed: June 18, 2003

Statement of Answer of Gary S. Wood to Claimants' Statement of Claim, Affirmative Defenses to Claimants' Statement of Claim, Cross-Claim against Norbert Huzella and Chris Miller, and Answer to Cross-Claim of Woodbury filed: October 31, 2003

Joinder of Gary S. Wood to Woodbury's Motion to Dismiss or, in the alternative, Motion for More Definite Statement filed: October 31, 2003

Joinder of Gary S. Wood to Joint Motion of Woodbury and Sammons to Stay Discovery filed: October 31, 2003

Joinder of Gary S. Wood to Woodbury's Motion to Stay Proceedings filed: October 31, 2003

CASE SUMMARY

Claimants alleged that the above-referenced dispute involved Respondents' offer and sale of securities to Claimants and that the securities consisted of promissory notes made by John Allen Wheeler on behalf of CDM Technologies, LLC, or Long Point Investments, LLC, or by Long Point Investments, LLS. Claimants alleged that they suffered damages because of Respondents' misrepresentations, omissions and misleading information and further alleged violation of federal and state securities laws with respect to Claimants' investments.

Respondent Woodbury denied Claimants' allegations of wrongdoing and denied any liability to Claimants. Respondent Woodbury also asserted affirmative defenses.

Respondent Woodbury filed a Cross-Claim for indemnification and contribution against Respondent Gary S. Wood and alleged that to the extent that Woodbury is deemed liable to Claimants, Woodbury is entitled to indemnification and contribution from Respondent Gary S. Wood to the full extent of any award in favor of Claimants.

Respondent Woodbury filed a Counterclaim for indemnification and contribution against Claimants Norbert Huzella and Chris Miller and alleged that Claimants Norbert Huzella and Chris Miller actively recruited and solicited some or all Claimants into lending money to John

Allen Wheeler, and Long Point Investments, LLC and CDM Technologies, LLC ("Wheeler Enterprises"). Respondent Woodbury also alleged that Claimants Norbert Huzella and Chris Miller received substantial commissions from the Wheeler Enterprises related to the promissory notes created between Claimants and the Wheeler Enterprises. Respondent Woodbury also

alleged that to the extent any Claimant has suffered damages, and to the further extent that Woodbury is deemed liable to any Claimant or multiple Claimants, Woodbury is entitled to indemnification and contribution from Claimants Norbert Huzella and Chris Miller to the full extent of their recruitment or solicitation of Claimants in the purchase of promissory notes from the Wheeler Enterprises in any award in favor of Claimants, or any of them.

Respondent Sammons denied Claimants' allegations of wrongdoing and denied any liability to Claimants. Respondent Sammons also asserted affirmative defenses.

Respondent Sammons filed a Cross-Claim for indemnification and contribution against Respondent Gary S. Wood and alleged that to the extent Sammons is deemed liable to Claimants, Sammons is entitled to indemnification and contribution from Respondent Gary S. Wood to the full extent of any award in favor of Claimants.

Respondent Sammons filed a Counterclaim for indemnification and contribution against Claimants Norbert Huzella and Chris Miller and alleged that Claimants Norbert Huzella and Chris Miller actively recruited and solicited some or all Claimants into lending money to John Allen Wheeler, and Long Point Investments, LLC and CDM Technologies, LLC ("Wheeler Enterprises"). Respondent Sammons also alleged that Claimants Norbert Huzella and Chris Miller received substantial commissions from the Wheeler Enterprises related to the promissory notes created between Claimants and the Wheeler Enterprises. Respondent Sammons also alleged that to the extent any Claimant has suffered damages, and to the further extent Sammons is deemed liable to any Claimant or multiple Claimants, Sammons is entitled to indemnification and contribution from Claimants Norbert Huzella and Chris Miller to the full extent of their recruitment or solicitation of Claimants in the purchase of promissory notes from the Wheeler Enterprises in any award in favor of Claimants, or any of them.

Respondent Gary S. Wood denied the allegations of wrongdoing by Claimants and Woodbury and denied any liability to Claimants and Woodbury. Respondent Wood also asserted affirmative defenses.

Respondent Wood filed a Cross-Claim for indemnification and contribution against Claimants Norbert Huzella and Chris Miller and alleged that Claimants Norbert Huzella and Chris Miller actively recruited and solicited Claimants into lending money to John Allen Wheeler, Long Point Investments, LLC and CDM Technologies, LLC ("Wheeler Enterprises"). Respondent Wood

also alleged that Claimants Norbert Huzella and Chris Miller received substantial commissions from the Wheeler Enterprises related to the promissory notes created between Claimants and the Wheeler Enterprises. Respondent Wood also alleged that to the extent any Claimant has suffered damages, and to the further extent that Wood is deemed liable to any Claimant or multiple Claimants, Wood is entitled to indemnification and contribution from Claimants Norbert Huzella and Chris Miller to the full extent of any award in favor of Claimants, or any of them.

Claimants Norbert Huzella and Chris Miller denied the allegations with respect to the counterclaims of Gary S. Wood, Woodbury and Sammons and denied any liability to Mr. Wood, Woodbury and Sammons.

RELIEF REQUESTED

Claimants requested an award against Respondents as follows:

1. From Gary S. Wood and Woodbury, jointly and severally, return or restitution of Claimants' initial investments plus interest from the date of each investment less any monies received from investments made while Mr. Wood was Woodbury's registered representative. Claimants alleged that those initial investments total \$1,029,495.00;
2. From Gary S. Wood, Sigma Financial Corporation ("Sigma") and Sammons, jointly and severally, return or restitution of Claimants' initial investments plus interest from the date of each investment less any monies received from investments made while Mr. Wood was Sigma's or Sammons' registered representative. Claimants alleged that those initial investments total \$861,989.94;
3. On their claim under the California Unfair Competition Law and in addition to the restitution sought above, an order enjoining Respondents from future violations of state and federal securities laws and other unlawful, unfair, or fraudulent business practices;
4. Claimants' costs of suit, including reasonable attorneys' fees to the extent allowed by law; and
5. Such further relief as the arbitrators deem just and proper.

Respondent Woodbury requested:

1. That the Panel dismiss Claimants' claims with prejudice;
2. In the event Claimants are awarded relief, enter an award in favor of Woodbury against Respondent Gary S. Wood for the full amount of Claimants' award against Woodbury;
3. In the event Claimants are awarded relief, enter an award in favor of Woodbury against Claimants Norbert Huzella and Chris Miller for the full amount of Claimants' award against Woodbury for those Claimants recruited or solicited by each of them to purchase promissory notes from the Wheeler Enterprises; and
4. Award Woodbury its reasonable attorney's fees and costs, and any other relief as

deemed just and proper.

Respondent Sammons requested:

1. That Claimants take nothing by reason of their Statement of Claim in this matter;
2. That Sammons be awarded its costs in this matter, including reasonable attorneys' fees and forum costs;
3. That Sammons be indemnified by any responsible Respondent, named or unnamed, in this matter;
4. That Sammons receives an Order of Expungement from the NASD Panel related to this matter; and
5. Such other and further relief as the Panel deems just and proper.

Respondent Gary S. Wood requested:

1. That the Panel dismiss Claimants' claims with prejudice;
2. In the event Claimants are awarded relief, enter an award in favor of Wood against Norbert Huzella and/or Chris Miller for the full amount of Claimants' award against Wood, or pro-rata awards apportioned to Miller or Huzella according to which one of them received a commission related to each particular Claimant's promissory note with the Wheeler Enterprises; and
3. Award Wood reasonable attorneys' fees and costs, and any other relief as deemed just and proper.

Claimants Norbert Huzella and Chris Miller requested:

1. That the Panel deny the claims made by Mr. Wood, Woodbury and Sammons;
2. Costs, including reasonable attorneys' fees to the extent allowed by law or equity; and
3. Such further relief as the arbitrators deem just and proper.

OTHER ISSUES CONSIDERED AND DECIDED

Respondent Gary S. Wood did not file with NASD Dispute Resolution ("NASD-DR") a properly executed Uniform Submission Agreement but is required to submit to arbitration pursuant to the NASD-DR Code of Arbitration Procedure ("the Code") and, having answered the Claim, is bound by the determination of the Panel on all issues submitted.

On August 14, 2003, Claimant Nicholas Aronis and Claimants' 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.

On August 25, 2003, Claimant Linda Babin and Claimants' 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.

On October 6, 2003, Claimants Dan and Lois Blaga and Claimants' 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.

On September 10, 2003, Claimants Jeff and Tammie Butler and Claimants' 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.

On August 18, 2003, Claimants Robert and Beth Campbell and Claimants' 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.

On September 1, 2003, Claimant Jonathan Campbell and Claimants' 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.

On August 21, 2003, Claimant Kevin Cotter and Claimants' 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.

On September 24, 2003, Claimant Paul Dillon and Claimants' 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.

On October 13, 2003, Claimants John and Suzanne Ferrari and Claimants' 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.

On August 22, 2003, Claimant Larry Freeman and Claimants' 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.

On August 23, 2003, Claimant Jim Garibaldi and Claimants' 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.

On October 6, 2003, Claimants Ren and Gail Grendahl and Claimants' 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.

On August 21, 2003, Claimant James Huzella and Claimants' 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.

On August 18, 2003, Claimant Norbert Huzella and Claimants' 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.

On August 22, 2003, Claimant Thomas Huzella and Claimants' 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.

On October 10, 2003, Claimant David C. James and Claimants' 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.

On September 26, 2003, Claimant Nancy Jones-Liss and Claimants' 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.

On September 26, 2003, Claimants Dee Dee Le and Gary Troiani and Claimants' 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.

On August 25, 2003, Claimant Gary Klopfenstein and Claimants' 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.

On October 21, 2003, Claimant Lilian Hua Li and Claimants' 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.

On August 24, 2003, Claimant Jonathan Long and Claimants' 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.

On August 20, 2003, Claimants William Lowry and Eve Lowry and Claimants' 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.

On August 25, 2003, Claimant Chris Miller and Claimants' 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.

On August 18, 2003, Claimant George Miller and Claimants' 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.

On August 19, 2003, Claimant Leslie Mueggenburg and Claimants' 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.

On October 21, 2003, Claimant Susan Schwartz and Claimants' 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.

On October 21, 2003, Claimant Jeff Stiles and Claimants' 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.

On September 24, 2003, Claimants John and Stacy Veth and Claimants' 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.

On October 21, 2003, Claimant Rui Yung Wang and Claimants' 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.

On September 13, 2003, Claimant Margie Welch and Claimants' 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.

On September 30, 2003, Claimants Richard J. and Robin Wetmore and Claimants' 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 Claimants 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 or about September 8, 2003, Claimants dismissed without prejudice their claims made against Sigma Financial Corporation.

On or about February 19, 2004, the Panel reviewed and considered the positions of the parties relative to Respondents' Motion to Stay Proceedings, Motion to Dismiss or, in the alternative, Motion for More Definite Statement and Motion to Stay Discovery. The Panel denied the Motions.

The Panel permitted the filing of the amended pleadings in this matter in accordance with Rule 10328 of the Code.

A hearing was held before the full arbitration panel on December 22, 2004, by telephone conference to hear the motion brought by Claimants' counsel to be relieved as counsel for certain claimants. In attendance were William P. Tornngren, Paul A. Fischer, Steven Benjamin, and Tad A. Devlin, counsel for the parties, and the following individual claimants: Norbert Huzella, Kevin Cotter, Jim Garibaldi, Leslie Mueggenburg and Richard J. Wetmore.

Mr. Tornngren stated that he had not heard from the claimants affected by his motion other than those in attendance. The attending claimants (with the exception of Jim Garibaldi) indicated they were not opposed to the motion and because they considered the discovery requirements unduly burdensome and intrusive, they wished to irrevocably withdraw their claims, provided they would not be assessed any costs. It was explained that if an order were issued granting this request, the affected claimants would be barred from re-filing their claim. Mr. Garibaldi said he wished to consider his position further.

The Panel ordered that the following claimants be dismissed from this action with prejudice: Kevin Cotter, Leslie Mueggenburg, Richard J. and Robin Wetmore, and that no costs shall be assessed against them arising out of this action.

With respect to the other non-responding claimants, to wit: Paul Dillon, John and Suzanne Ferrari, Jim Garibaldi, Ren and Gail Grendahl, David C. James, Lilian Hua Li, and Rui Yung Wang, a notice was served upon each of them by certified mail which (i) requested them to indicate whether they intended to prosecute their claims and (ii) if they failed to respond within 21 days of the date of service their claims would be dismissed with prejudice.

With respect to claimants and cross-respondents Norbert Huzella of 145 Reservoir Road, San Rafael, CA 94901, and Chris Miller of 4738 Dickens Drive, Granite Bay, CA 95746, the Panel ruled that the Law Offices of William P. Tornngren were relieved as counsel of record and the Law Offices of William P. Tornngren were ordered to serve by mail each of such claimants at their respective addresses with a copy of said order. The Panel further ruled that the order

relieving the Law Offices of William P. Torngren as counsel of record would be effective upon the filing of the proof of service with NASD Dispute Resolution.

On or about March 21, 2005, the Panel dismissed with prejudice the following Claimants in accordance with the Panel's aforementioned rulings: Rui Yung Wang, Jim Garibaldi, Lilian Hua Li, Paul Dillon, David C. James and John and Suzanne Ferrari.

On or about June 24, 2005, the Panel having considered Woodbury's Motion to Dismiss Claimants in Default of Discovery Order; Joinder of Gary S. Wood and Sammons; Response by Chris Miller and Norbert Huzella; Opposition of Claimants John and Stacy Veth and Thomas Huzella; and Rebuttal of Woodbury and Sammons, the Panel found as follows:

1. John and Stacy Veth. Said Claimants had willfully failed to comply with the Chairman's discovery order dated October 1, 2004, to wit, with Document Requests 22-24. The Panel dismissed with prejudice John and Stacy Veth.
2. Ren and Gail Grendahl. Said Claimants had failed to respond to Respondents' Discovery Requests or respond to the Motion to Dismiss Claimants in Default of Discovery Order. The Panel dismissed with prejudice Ren and Gail Grendahl.
3. Chris Miller and Norbert Huzella. The Panel denied the Motion to Dismiss Claimants in Default of Discovery Order with respect to Chris Miller and Norbert Huzella and cautioned said Claimants that they may be barred from presenting evidence at the hearing if the Respondents can show that the evidence is or relates to matters on which discovery was withheld and urged said Claimants to review Respondent's Discovery Request dated April 2, 2004, and to supplement any deficiencies.
4. Thomas Huzella. The Panel ruled that Mr. Huzella's estate had until July 29, 2005, to enter an appearance in this case, failing which it would automatically be dismissed with prejudice.

On or about August 12, 2005, the Panel granted the application to substitute as a Claimant, Ronald W. Frank, Personal Representative, for deceased Claimant Thomas Huzella.

On or about September 19, 2005, Claimants Nicholas Aronis, Linda Babin, Dan and Lois Blaga, Jeff and Tammie Butler, Jonathan Campbell, Robert and Beth Campbell, Larry Freeman, James Huzella, Thomas Huzella, through Ronald W. Frank as executor of the Estate, Nancy Jones-Liss, Gary Klopfenstein, Dee Dee Le and Gary Troiani, Jonathan Long, William and Eve Lowry, George Miller, Susan Schwartz, Jeff Stiles and Margie Welch dismissed all of their claims with prejudice as to Respondents Woodbury and Sammons.

On or about September 19, 2005, Claimants Norbert Huzella and Chris Miller and Respondents Woodbury and Sammons stipulated to the dismissal of this proceeding with prejudice as to each other. By effect of said stipulation, all claims of Norbert Huzella and Chris Miller against Woodbury and Sammons are dismissed with prejudice, and all counterclaims of Woodbury and Sammons against Norbert Huzella and Chris Miller are dismissed with prejudice.

On or about October 3, 2005, Woodbury dismissed without prejudice its cross-claims against Respondent Gary S. Wood.

On or about October 12, 2005, Claimants Norbert Huzella and Chris Miller, on the one hand, and Respondent and Counter-Claimant Gary S. Wood, on the other hand, stipulated to the dismissal of this proceeding with prejudice as to each other. By effect of said stipulation, all claims of Norbert Huzella and Chris Miller against Gary S. Wood are dismissed with prejudice, and all counterclaims of Gary S. Wood against Norbert Huzella and Chris Miller are dismissed with prejudice.

On or about October 12, 2005, Respondent/Cross-Claimant Sammons dismissed without prejudice its cross-claims against Respondent/Cross-Respondent Gary S. Wood.

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

**STIPULATION FOR ENTRY OF AWARD
BETWEEN LISTED CLAIMANTS AND RESPONDENT GARY S. WOOD**

This stipulation for entry of award is between the claimants listed below ("Listed Claimants"), by and through their attorney, and respondent Gary S. Wood, by and through his attorney.

Listed Claimants, who are entering into this stipulation for entry of award, are:

Nicholas Aronis
Linda Babin
Dan and Lois Blaga
Jeff and Tammie Butler
Jonathan Campbell
Robert and Beth Campbell
Larry Freeman
James W. Huzella
Thomas Huzella, through Ronald W. Frank as executor of the Estate
Nancy Jones-Liss

Gary Klopfenstein
Dee Dee Le and Gary Troiani
Jonathan Long
William and Eve Lowry
George Miller
Susan Schwartz
Jeff Stiles
Margie Welch

Factual Background. This stipulation for entry of award is made with reference to the following:

1. Listed Claimants filed claims in the above-entitled arbitration against respondent Gary S. Wood and others. In their statement of claim, Listed Claimants allege, among other things, violations of state and federal securities laws. Respondent Gary S. Wood denied the allegations and all liability to Listed Claimants.

2. On September 19, 2005, and pursuant to a *Confidential Settlement Agreement and Mutual Release*, Listed Claimants dismissed with prejudice their claims against Woodbury Financial Services, Inc. and Sammons Securities Company. Listed Claimants expressed reserved their claims against respondent Gary S. Wood.

3. The proceeding is set for a 15-day arbitration hearing to commence on October 17, 2005. The parties to this stipulation desire to avoid the costs of such hearing and to avoid the risks associated with such hearing and resulting award.

Stipulation For Entry Of Award. In view of the foregoing, Listed Claimants and respondent Gary S. Wood, through their respective attorneys, stipulate that the following award will be entered as to and in resolution of their claims:

1. **Case Summary.** As to respondent Gary S. Wood, Listed Claimants alleged that he sold unregistered and unqualified securities in the form of promissory notes issued by John Wheeler and his affiliates and that Mr. Wood failed to make disclosures required to comply with federal and state securities laws. Listed Claimants alleged (1) violations of federal and state securities laws, (2) violation of the California Unfair Competition Law (Business & Professions Code § 17200, et seq.), and (3) common law deceit. Respondent Gary S. Wood denied Listed Claimants' allegations of wrongdoing and denied any liability to Listed Claimants. He asserted affirmative defenses.

2. **Relief Requested.** Listed Claimants requested return or restitution of their initial investments plus interest from the date of each investment less any monies received for the investments. Respondent Gary S. Wood requested that the statement of claim be dismissed and that the Panel award him his costs.
3. **Award As To Each Listed Claimant.** Respondent Gary S. Wood is liable to and shall pay each Listed Claimant as follows:
 - a. Nicholas Aronis - \$4,097.44 plus daily interest at the rate of \$0.786 from September 10, 2005, until the date the award is served by NASD Dispute Resolution on the parties.
 - b. Linda Babin - \$3,817.13 plus daily interest at the rate of \$0.732 from September 10, 2005, until the date the award is served by NASD Dispute Resolution on the parties.
 - c. Dan and Lois Blaga - \$9,432.56 plus daily interest at the rate of \$1.809 from September 10, 2005, until the date the award is served by NASD Dispute Resolution on the parties.
 - d. Jeff and Tammie Butler - \$18,381.83 plus daily interest at the rate of \$3.525 from September 10, 2005, until the date the award is served by NASD Dispute Resolution on the parties.
 - e. Jonathan Campbell - \$46,997.79 plus daily interest at the rate of \$9.013 from September 10, 2005, until the date the award is served by NASD Dispute Resolution on the parties.
 - f. Robert and Beth Campbell - \$33,437.14 plus daily interest at the rate of \$6.413 from September 10, 2005, until the date the award is served by NASD Dispute Resolution on the parties.
 - g. Larry Freeman - \$13,865.77 plus daily interest at the rate of \$2.659 from September 10, 2005, until the date the award is served by NASD Dispute Resolution on the parties.
 - h. James W. Huzella - \$41,193.04 plus daily interest at the rate of \$7.90 from September 10, 2005, until the date the award is served by NASD Dispute Resolution on the parties.

- i. Ronald W. Frank, as the executor of the Estate of Thomas Huzella - \$43,927.07 plus daily interest at the rate of \$8.424 from September 10, 2005, until the date the award is served by NASD Dispute Resolution on the parties.
- j. Nancy Jones-Liss - \$120,268.01 plus daily interest at the rate of \$23.065 from September 10, 2005, until the date the award is served by NASD Dispute Resolution on the parties.
- k. Gary Klopfenstein - \$19,619.74 plus daily interest at the rate of \$3.763 from September 10, 2005, until the date the award is served by NASD Dispute Resolution on the parties.
- l. Dee Dee Le and Gary Troiani - \$26,413.09 plus daily interest at the rate of \$5.066 from September 10, 2005, until the date the award is served by NASD Dispute Resolution on the parties.
- m. Jonathan Long - \$4,738.14 plus daily interest at the rate of \$0.909 from September 10, 2005, until the date the award is served by NASD Dispute Resolution on the parties.
- n. William and Eve Lowry - \$87,940.73 plus daily interest at the rate of \$16.865 from September 10, 2005, until the date the award is served by NASD Dispute Resolution on the parties.
- o. George Miller - \$37,624.99 plus daily interest at the rate of \$7.216 from September 10, 2005, until the date the award is served by NASD Dispute Resolution on the parties.
- p. Susan Schwartz - \$11,569.19 plus daily interest at the rate of \$2.219 from September 10, 2005, until the date the award is served by NASD Dispute Resolution on the parties.
- q. Jeff Stiles - \$42,833.92 plus daily interest at the rate of \$8.215 from September 10, 2005, until the date the award is served by NASD Dispute Resolution on the parties.
- r. Margie Welch - \$12,206.08 plus daily interest at the rate of \$2.341 from September 10, 2005, until the date the award is served by NASD Dispute Resolution on the parties.

4. **Factual And Legal Bases For Award.** The parties expressly agree and the award shall include the following factual and legal bases:
 - a. Respondent Gary S. Wood offered and sold securities to Listed Claimants in violation of registration provisions of Securities Act of 1933, qualification provisions of California Corporate Securities Law of 1968, and registration provisions of securities laws of other applicable states.
 - b. Respondent Gary S. Wood is liable for rescission or restitution, to the extent set forth above, of Listed Claimants' purchases of securities under the provisions of the Securities Act of 1933, of the California Corporate Securities Law of 1968, and of the securities laws of other applicable states in that he omitted to state a material fact necessary in order to make the statements which he made, in light of the circumstances under which they were made, not misleading.
5. **Interest After Service.** Interest shall accrue on each of the amounts set forth above at the California judgment rate of 10% per annum from the thirty-first (31st) day following service of the award by NASD Dispute Resolution until paid.
6. **Forum Fees.** Respondent Gary S. Wood shall be liable for all forum fees assessed by the Panel except those forum fees assessed against other respondents.
7. **Costs And Fees.** Except as otherwise provided in the award entered pursuant to this stipulation, Listed Claimants and respondent Gary S. Wood shall bear their own costs, including attorneys' fees.
8. **Counterparts.** Listed Claimants and respondent Gary S. Wood agree that the award in the above-entitled matter may be executed in counterpart copies or that a handwritten, signed award may be entered.
9. **Other Relief.** All other relief not expressly provided in this stipulation shall be denied as between Listed Claimants and respondent Gary S. Wood.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

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

Initial claim filing fee	= \$500.00
Respondent Wood's Counterclaim filing fee	= \$500.00
Respondent Woodbury's Cross-Claim/Counterclaim filing fee	= \$2,000.00
Respondent Sammons' Cross-Claim/Counterclaim filing fee	= \$1,250.00

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, Woodbury, Sigma and Sammons are parties and the following fees are assessed:

Woodbury

Member Surcharge	= \$2,800.00
Pre-Hearing Process Fee	= \$ 750.00
<u>Hearing Process Fee</u>	<u>= \$5,000.00</u>
Total Member Fees	= \$8,550.00

Sigma

Member Surcharge	= \$2,250.00
Total Member Fees	= \$2,250.00

Sammons

Member Surcharge	= \$2,250.00
Pre-Hearing Process Fee	= \$ 750.00
<u>Hearing Process Fee</u>	<u>= \$4,000.00</u>
Total Member Fees	= \$7,000.00

Adjournment Fees

The following adjournment fees are assessed:

On or about January 5, 2005, the Panel granted a postponement of the March 14-18, March 21-25, April 25-29, May 2-3, June 6-10, June 13-17, and June 20-24, 2005 hearing dates and assessed the \$1,200.00 postponement fee to Claimants Paul Dillon, John and Suzanne Ferrari, Jim Garibaldi, Ren and Gail Grendahl, David C. James, Lilian Hua Li, and Rui Yung Wang.

Three-Day Cancellation Fees

Fees apply when a hearing on the merits is postponed or settled within three business days before the start of a scheduled hearing session.

Cancellation of October 17-21, October 24-28, and
October 31 – November 4, 2005 hearing dates: = \$300.00

The Panel assessed \$150.00 in cancellation fees to Claimants Norbert Huzella and Chris Miller.

The Panel assessed \$150.00 in cancellation fees jointly and severally to Respondents Sammons and Gary S. Wood.

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/Panel. The following fees are assessed:

(2) Pre-hearing conference sessions with a single arbitrator @ \$450.00/session = \$900.00

Pre-hearing conferences:	September 30, 2004	1 session
	November 15, 2004	1 session

(3) Pre-hearing conference sessions with the Panel @ \$1,200.00/session = \$3,600.00

Pre-hearing conferences:	February 19, 2004	1 session
	June 4, 2004	1 session
	December 22, 2004	1 session

Total Forum Fees = **\$4,500.00**

The Panel assessed \$2,250.00 in forum fees to Respondent Gary S. Wood per agreement among Listed Claimants and Gary S. Wood.

The Panel assessed \$2,250.00 in forum fees jointly and severally to Respondents Woodbury, Sammons and Gary S. Wood.

Fee Summary

1. Claimants Nicholas Aronis, Linda Babin, Dan and Lois Blaga, Jeff and Tammie Butler, Robert and Beth Campbell, Jonathan Campbell, Kevin Cotter, Paul Dillon, John and Suzanne Ferrari, Larry Freeman, Jim Garibaldi, Ren and Gail Grendahl, James Huzella, Norbert Huzella, Ronald W. Frank, David C. James, Nancy Jones-Liss, Gary Klopfenstein, Dee Dee Le and Gary Troiani, Lilian Hua Li, Jonathan Long, William and Eve Lowry, Chris Miller, George Miller, Leslie Mueggenburg, Susan Schwartz, Jeff Stiles, John and Stacy Veth, Rui Yung Wang, Margie Welch, and Richard J. and Robin Wetmore are charged jointly and severally with the following fees and costs:

Initial Filing Fee	= \$ 500.00
Retained deposit in accordance with Rule 10332(f) of the Code	= \$ 1,200.00
<u>Less Payments</u>	<u>= \$(1,700.00)</u>
Balance Due NASD-DR	= \$ 0.00

2. Claimants Paul Dillon, John and Suzanne Ferrari, Jim Garibaldi, Ren and Gail Grendahl, David C. James, Lilian Hua Li, and Rui Yung Wang are charged jointly and severally with the following fees and costs:

Adjournment Fee	= \$ 1,200.00
<u>Less Payments</u>	<u>= \$(0.00)</u>
Balance Due NASD-DR	= \$ 1,200.00

3. Claimants Norbert Huzella and Chris Miller are charged jointly and severally with the following fees and costs:

3-Day Cancellation Fee	= \$ 150.00
<u>Less Payments</u>	<u>= \$(0.00)</u>
Balance Due NASD-DR	= \$ 150.00

4. Respondent Woodbury is charged with the following fees and costs:

Cross-Claim/Counterclaim filing fee	= \$ 2,000.00
<u>Member Fees</u>	<u>= \$ 8,550.00</u>
Total Fees	= \$ 10,550.00
<u>Less Payments</u>	<u>= \$(13,625.00)</u>
Refund Due Woodbury	= \$(3,075.00)

5. Respondent Sigma is charged with the following fees and costs:

Member Fees	= \$ 2,250.00
<u>Less Payments</u>	<u>= \$(2,800.00)</u>
Refund Due Sigma	= \$(550.00)

6. Respondent Sammons is charged with the following fees and costs:

Cross-Claim/Counterclaim filing fee	= \$ 1,250.00
<u>Member Fees</u>	= \$ 7,000.00
Total Fees	= \$ 8,250.00
Retained Hearing Session Deposit	= \$ 75.00
<u>Less Payments</u>	= \$(19,475.00)
Refund Due Sammons	= \$(11,150.00)

7. Respondent Gary S. Wood is charged with the following fees and costs:

Counterclaim filing fee	= \$ 500.00
<u>Forum Fees</u>	= \$ 2,250.00
Total Fees	= \$ 2,750.00
<u>Less Payments</u>	= \$(1,500.00)
Balance Due NASD-DR	= \$ 1,250.00

8. Respondents Sammons and Gary S. Wood are charged jointly and severally with the following fees and costs:

3-Day Cancellation Fee	= \$ 150.00
<u>Less Payments by Sammons</u>	= \$(150.00)
Balance Due NASD-DR	= \$ 0.00

9. Respondents Woodbury, Sammons and Gary S. Wood are charged jointly and severally with the following fees and costs:

Forum Fees	= \$ 2,250.00
Less Payments by Sammons	= \$(1,125.00)
<u>Less Payments by Woodbury</u>	= \$(1,125.00)
Balance Due NASD-DR	= \$ 0.00

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

Date: November 14, 2005

LAW OFFICES OF
WILLIAM P. TORNGREN

William P. Torngren
William P. Torngren
Attorney for the Listed Claimants

Date: November 10, 2005

LAW OFFICES OF
STEVEN BENJAMIN

Steven Benjamin
Steven Benjamin
Attorney for Respondent Gary S. Wood

ARBITRATION PANEL

Dean J. Dietrich, Esq.

Peter F. Sloss, Esq.

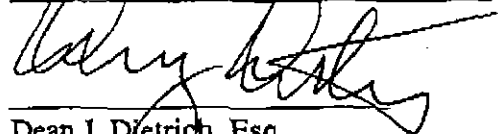
James R. Dickson

- Public Arbitrator, Presiding Chair

- Public Arbitrator

- Non-Public Arbitrator

Concurring Arbitrators' Signatures



Dean J. Dietrich, Esq.
Chair, Public Arbitrator

11-14-05

Signature Date

Peter F. Sloss, Esq.
Public Arbitrator

Signature Date

James R. Dickson
Non-Public Arbitrator

Signature Date

12/14/05
Date of Service

ARBITRATION PANEL

Dean J. Dietrich, Esq.	-	Public Arbitrator, Presiding Chair
Peter F. Sloss, Esq.	-	Public Arbitrator
James R. Dickson	-	Non-Public Arbitrator

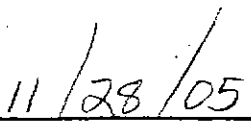
Concurring Arbitrators' Signatures

Dean J. Dietrich, Esq.
Chair, Public Arbitrator

Signature Date



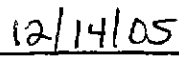
Peter F. Sloss, Esq.
Public Arbitrator



Signature Date

James R. Dickson
Non-Public Arbitrator

Signature Date



Date of Service