

AWARD
NASD Dispute Resolution

In the Matter of the Arbitration Between

Name of Claimant

Wachovia Securities, Inc.

and

Case Number: 03-02333
Hearing Site: Houston, Texas

Name of Respondent

John Saccone

NATURE OF DISPUTE

Member Firm v. Associated Person

REPRESENTATION OF PARTIES

Wachovia Securities, Inc. ("**Claimant or Wachovia**") was represented by Ronald Kane, Esq., of Kane & Fischer, Ltd., in Chicago, Illinois.

John Saccone ("**Saccone**") of Houston, Texas, represented himself.

CASE INFORMATION

The Statement of Claim was filed on or about April 1, 2003.

The Submission Agreement of Claimant, Wachovia Securities, Inc., was signed on or about June 23, 2003.

Statement of Answer was filed by Respondent, John Saccone, on or about January 26, 2004.

Respondent, John Saccone, did not file a Submission Agreement.

CASE SUMMARY

Claimant asserted the following cause of action: failure to repay promissory note. Claimant asserted the following: on or about March 6, 2000, Wachovia loaned Respondent

Saccone the sum of \$321,063.00. The loan was evidenced by a promissory note (the "Note"), executed by Saccone. The Note provided that beginning February 28, 2001, Wachovia shall forgive \$6,579.47 on the 31st day of each calendar month through January 30, 2006, but only if Saccone has, at all times from the date of the Note, remained in the full-time employment of Wachovia. The Notes further provides that if prior to the repayment of the principle and accrued interest, (i) Saccone's employment with Wachovia is terminated for Cause, or (ii) Saccone voluntarily resigns, or (iii) Saccone's employment terminates for any other reason and the unpaid balance is not forgiven, the full amount of any unpaid and unforgiven balance shall become due and payable immediately.

Saccone's termination for Cause occurred on October 18, 2002. Accordingly, the remaining principle balance due and owing under the Note in the in the amount of \$237,994.09, plus interest in the amount of \$704.16, immediately became due and owing on that date. Per the terms of the Note, Saccone agreed that he would pay all costs and expenses, including attorney's fees, occurred in connection with the enforcement of the Note.

Unless specifically admitted in his Answer, Respondent denied the allegations made in the Statement of Claim.

RELIEF REQUESTED

Claimant requested an award in the amount of:

Actual/Compensatory	\$237,994.00
Interest	Unspecified
Attorney's Fees	Unspecified
Other Costs	Unspecified
Other Monetary Relief	Unspecified

Respondent requested that the claims asserted against him be denied in their entirety and that he be awarded his costs and fees.

OTHER ISSUES CONSIDERED & DECIDED

Respondent, John Saccone, did not file with the NASD Dispute Resolution a properly executed submission to arbitration but is required to submit to arbitration pursuant to Rule 10301 of the NASD Code of Arbitration Procedure (the "Code") and having answered the claim, appeared and testified at the hearing is bound by the determination of the arbitration panel on all issues submitted.

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. In either case, the parties

have agreed to receive conformed copies of the award while the original(s) remain on file with NASD Dispute Resolution ("NASD").

AWARD

After considering the pleadings, the testimony, and the evidence presented at the hearing undersigned arbitrators have decided in full and final resolution of the issues submitted for determination as follows:

- 1.) Respondent, John Saccone, is liable for and shall pay to Claimant, Wachovia Securities, Inc., the sum of \$13,000 in compensatory damages;
- 2.) Respondent, John Saccone, is liable for and shall pay to Claimant, Wachovia Securities, Inc., the sum of \$7,000 in attorneys fees pursuant to the terms of the promissory note;
- 3.) 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 = \$1000.00

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, the member firm is Wachovia Securities, Inc.

Member surcharge = \$1700.00
Pre-hearing process fee = \$ 750.00
Hearing process fee = \$2750.00

Forum Fees and Assessments

The Arbitration 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. Fees associated with these proceedings are:

One (1) Pre-hearing session with Panel x \$1125.00	= \$1125.00
Pre-hearing conference: January 7, 2004	1 session
Two (2) Hearing sessions x \$1125.00	= \$2250.00
Hearing Date: April 22, 2004	2 sessions
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Total Forum Fees	= \$3375.00

The Arbitration Panel has assessed \$1687.50 of the forum fees to Wachovia Securities, Inc.

The Arbitration Panel has assessed \$1687.50 of the forum fees to John Saccone.

FEE SUMMARY

Claimant, Wachovia Securities, Inc., is liable for:

Initial Filing Fee	= \$ 1000.00
Member Fees	= \$ 5200.00
Forum Fees	= \$ 1687.50
Total Fees	= \$ 7887.50
Less payments	= \$ 7325.00
Balance Due NASD Dispute Resolution	= \$ 562.50

Respondent, John Saccone, is liable for:

Forum Fees	= \$ 1687.50
Total Fees	= \$ 1687.50
Less payments	.00
Balance Due NASD Dispute Resolution	= \$ 1687.50

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

ARBITRATION PANEL

Dolores Martin - Non-Public Arbitrator, Presiding Chair
Kathy Holler - Non-Public Arbitrator
Morris Rubin - Non-Public Arbitrator

Concurring Arbitrators:

/s/ Dolores Martin
Dolores Martin
Non-Public Arbitrator, Presiding Chair

April 28, 2004
Signature Date

/s/ Kathy Holler
Kathy Holler
Non-Public Arbitrator

April 30, 2004
Signature Date

/s/ Morris Rubin
Morris Rubin
Non-Public Arbitrator

April 28, 2004
Signature Date

April 28, 2004
Date of Service (For NASD office use only)

ARBITRATION PANEL

Dolores Martin - Non-Public Arbitrator, Presiding Chair
Kathy Holler - Non-Public Arbitrator
Morris Rubin - Non-Public Arbitrator

Concurring Arbitrators:

Dolores Martin
Dolores Martin
Non-Public Arbitrator, Presiding Chair

4-28-04
Signature Date

Kathy Holler
Non-Public Arbitrator

Signature Date

Morris Rubin
Non-Public Arbitrator

Signature Date

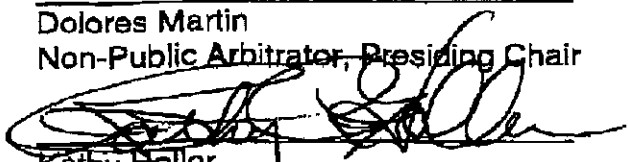
Date of Service (For NASD office use only)

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Kathy Holler - Non-Public Arbitrator
Morris Rubin - Non-Public Arbitrator

Concurring Arbitrators:

Dolores Martin
Non-Public Arbitrator, Presiding Chair


Kathy Holler
Non-Public Arbitrator

Signature Date

04/30/04

Signature Date

Morris Rubin
Non-Public Arbitrator

Signature Date

Date of Service (For NASD office use only)

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Morris Rubin - Non-Public Arbitrator

Concurring Arbitrators:

Dolores Martin
Non-Public Arbitrator, Presiding Chair

Signature Date

Kathy Holler
Non-Public Arbitrator

Signature Date



Morris Rubin
Non-Public Arbitrator

4/28/2004
Signature Date

Date of Service (For NASD office use only)