

Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Jerome Goldberg and Laura Goldberg (Claimants) v. First Union Securities, Inc. and James D. Routhier (Respondents)

Case Number: 03-02447

Hearing Site: New York, New York

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

REPRESENTATION OF PARTIES

Claimants Jerome Goldberg and Laura Goldberg ("The Goldbergs") hereinafter collectively referred to as "Claimants": Chad N. Cagan, Esq., Sonnenblick, Parker & Selvers, P.C., Freehold, NJ.

Respondents First Union Securities, Inc. ("First Union") and James D. Routhier ("Routhier") hereinafter collectively referred to as "Respondents": Brian A. Carlis, Esq., Stark & Stark, P.C., Princeton, NJ. Previously represented by: Ricardo J. Nunez, Esq., Wachovia Securities, LLC, Richmond, VA.

CASE INFORMATION

Statement of Claim filed on or about: March 31, 2003.

Claimants signed the Uniform Submission Agreement.

Joint Statement of Answer filed by Respondents on or about: June 11, 2003.

Respondent First Union signed the Uniform Submission Agreement: June 11, 2003.

Respondent Routhier signed the Uniform Submission Agreement: May 1, 2003.

CASE SUMMARY

Claimants asserted the following causes of action: unsuitability; breach of fiduciary duty; fraud and misrepresentation; securities law and self-regulatory organization rule violations; violation of the New Jersey Securities Act; negligence; breach of contract; respondeat superior; control person liability; aiding and abetting; and failure to supervise. The causes of action relate to the purchase and sale of common stock.

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

RELIEF REQUESTED

Claimants requested compensatory damages of approximately \$120,000.00; market adjusted damages; punitive damages; pre-judgment and post-judgment interest at the maximum rate allowed by law; attorneys' fees and costs; and such other relief as the Panel may deem equitable, just, and necessary.

Respondents requested that Claimants' claims be rejected, no damages be awarded, and all costs and forum fees be assessed against the Claimants. Respondents further requested that all references to this matter be expunged from their respective records, and that the Arbitration Panel provide such other and further relief that it deems just and appropriate.

OTHER ISSUES CONSIDERED AND DECIDED

On April 23, 2004, the parties notified NASD Dispute Resolution that they had reached a settlement. In particular, the parties agreed that all claims against all Respondents are dismissed with prejudice and Claimants and Respondents First Union and Routhier agreed to a Stipulation to the Panel whereby the arbitrators would recommend the expungement of this matter from the CRD records of Respondent James D. Routhier.

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

The parties entered into an agreement to present to the Panel a Stipulated Award. Now, in lieu of a hearing and upon motion of both parties for an entry of an award, the written stipulation thereto, the Panel grants the motion and enters this award granting the following relief:

1. All claims against all Respondents are hereby dismissed with prejudice.
2. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent James D. Routhier'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 Routhier must obtain confirmation from a court of competent jurisdiction before CRD will execute the expungement directive.
3. All parties shall bear their own costs and attorneys' fees.
4. Any and all relief not specifically addressed herein, including punitive damages, is denied.

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 = \$ 300.00

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, First Union Securities, Inc. is a party.

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 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. Forum fees associated with these proceedings are:

One (1) Pre-hearing conference session with the Panel @ \$1,125.00/session = \$1,125.00

Pre-hearing conference: September 24, 2003 1 session

Total Forum Fees = \$1,125.00

1. The Panel has assessed \$562.50 of the forum fees jointly and severally against Claimants.
2. The Panel has assessed \$562.50 of the forum fees jointly and severally against Respondents.

Fee Summary

1. Claimants are jointly and severally liable for:

Initial Filing Fee = \$ 300.00

Forum Fees = \$ 562.50

Total Fees = \$ 862.50

Less payments = \$1,425.00

Refund Due to Claimants = \$ 562.50

2. Respondent First Union is solely liable for:

NASD Dispute Resolution
Arbitration No. 03-02447
Award Page 4 of 6

<u>Member Fees</u>	= \$5,200.00
Total Fees	= \$5,200.00
<u>Less payments</u>	= \$5,200.00
Balance Due NASD Dispute Resolution	= \$ 0.00

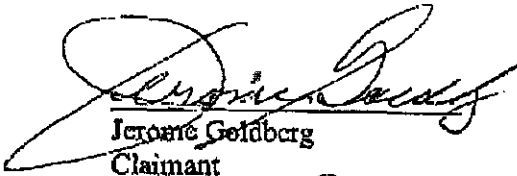
3. Respondents are jointly and severally liable for:

<u>Forum Fees</u>	= \$ 562.50
Total Fees	= \$ 562.50
<u>Less payments</u>	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 562.50

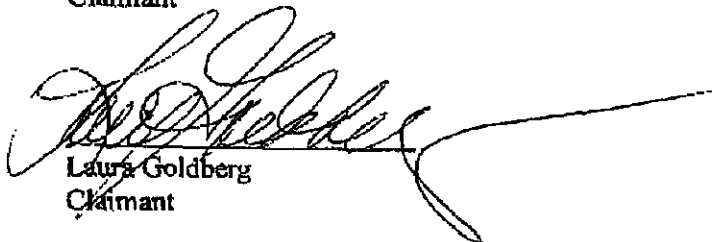
All balances are due and payable to NASD Dispute Resolution

NASD Dispute Resolution
Arbitration No. 03-02447
Award Page 5 of 6

Parties' Signatures


Jerome Goldberg
Claimant

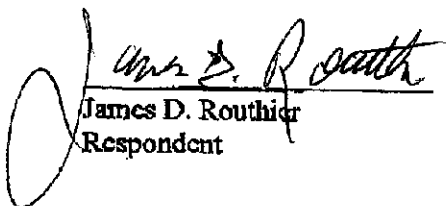
May 14 2004
Signature Date


Laura Goldberg
Claimant

May 14 2004
Signature Date

First Union Securities, Inc.
Respondent

Signature Date


James D. Routhier
Respondent

5/19/04
Signature Date

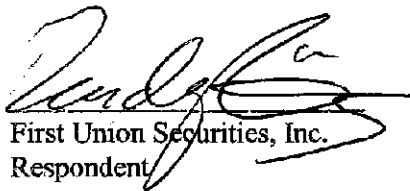
Parties' Signatures

Jerome Goldberg
Claimant

Signature Date

Laura Goldberg
Claimant

Signature Date



First Union Securities, Inc.
Respondent

May 4, 2004
Signature Date

James D. Routhier
Respondent

Signature Date

NASD Dispute Resolution
Arbitration No. 03-02447
Award Page 6 of 6

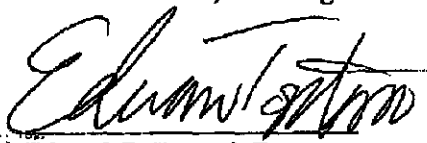
ARBITRATION PANEL

Stephen A. Weiner, Esq.	-	Public Arbitrator, Presiding Chair
Edward G. Toptani, Esq.	-	Public Arbitrator
Joseph A. Gottlieb, Esq.	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

Stephen A. Weiner, Esq.
Public Arbitrator, Presiding Chair

Signature Date


Edward G. Toptani, Esq.
Public Arbitrator



Signature Date

Joseph A. Gottlieb, Esq.
Non-Public Arbitrator

Signature Date

June 29, 2004
Date of Service (For NASD office use only)

NASD Dispute Resolution
Arbitration No. 03-02447
Award Page 6 of 6

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Joseph A. Gottlieb, Esq.	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

Stephen A. Weiner, Esq.
Public Arbitrator, Presiding Chair

Signature Date

Edward G. Toptani, Esq.
Public Arbitrator

Signature Date



Joseph A. Gottlieb, Esq.
Non-Public Arbitrator

June 28, 2004

Signature Date

June 29, 2004

Date of Service (For NASD office use only)