

**AWARD
NASD Dispute Resolution**

In the Matter of the Arbitration Between

Name of Claimant

Marvin Matson

and

Case Number: 03-02662
Hearing Site: Detroit, Michigan

Names of Respondents

Commonwealth Financial Network
Daniel Investment Group, Inc. and
James E. Daniel

NATURE OF DISPUTE

Customer v. Member, Non-Member, and Associated Person

REPRESENTATION OF PARTIES

Marvin Matson ("Claimant") was represented by James Eccleston, Esq., and Ronald Amato, Esq., Shaheen, Novoselsky, Staat & Filipowski, Chicago, Illinois.

Commonwealth Financial Network a/k/a Commonwealth Equity Services, Inc., ("Commonwealth"), Daniel Investment Group, Inc. ("DIG") and James E. Daniel ("Daniel") were represented by Edmund M. Brady, Jr., Esq., Detroit, Michigan.

CASE INFORMATION

The Statement of Claim was filed on or about April 7, 2003. The Submission Agreement of Claimant Marvin Matson was signed on or about April 7, 2003.

Statement of Answer was filed jointly by Respondents Commonwealth, DIG, and Daniel on or about June 30, 2003. The Submission Agreement of Respondent Commonwealth Financial Network was signed on or about June 9, 2003. The Submission Agreement of Respondent Daniel Investment Group, Inc. was signed on or about October 9, 2003, by James E. Daniel. The Submission Agreement of Respondent James E. Daniel was signed on or about May 12, 2003.

CASE SUMMARY

Claimant asserted the following causes of action: breach of the Michigan Uniform Securities Act, breach of fiduciary duty, negligence, breach of contract, failure to supervise/negligent supervision, and respondeat superior. The causes of action related to the recommendation and purchase of QQQ, AT&T, Jabil Circuit, and Cisco Systems in Claimant's account.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted affirmative defenses including the following: Claimant has failed, in whole or in part, to state a cause of action upon which relief can be granted; at all times relevant to this action, Claimant was not owed a fiduciary duty by Respondents; Claimant's claims are barred by the statute of limitations; and Claimant fully understood and willingly assumed the risk associated with the subject investments.

RELIEF REQUESTED

Claimant requested an award in the amount of \$172,801.00 in compensatory damages, prejudgment interest, attorneys' fees, and such other and further relief as is just and equitable.

Respondents requested that the claims asserted against them be denied in their entirety and that they be awarded their costs, interest, and attorneys' fees.

OTHER ISSUES CONSIDERED & DECIDED

At hearing, Respondents moved for a directed verdict. The panel granted the motion as to the fraud claims only. The panel took the remainder of the motion under advisement and it is herein denied.

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, the undersigned arbitrators have decided in full and final resolution of the issues submitted for determination as follows:

- 1.) Respondents, Commonwealth Financial Network, and James E. Daniel, are jointly and severally liable for and shall pay to Claimant, Marvin

Matson, the sum of \$40,000.00 in compensatory damages;

- 2.) Claimant's claims, each and all, against Respondent, Daniel Investment Group, Inc., are denied and dismissed with prejudice;
- 3.) That other than Forum Fees which are specified below, the parties shall each bear their own costs and expenses incurred in this matter; and
- 4.) That any relief not specifically enumerated, including punitive damages and attorney fees, 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 = \$ 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, the member firm is Commonwealth Financial Network.

Member surcharge = \$ 1,700.00
Pre-hearing process fee = \$ 750.00
Hearing process fee = \$ 2,750.00

Adjournment Fees

Adjournments requested during these proceedings:

May 27-28, 2004 adjournment requested jointly (waived by panel) = \$ 1,125.00

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 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 a single arbitrator x \$450.00 = \$ 450.00
Pre-hearing conference: February 17, 2004 1 session

One (1) Pre-hearing session with Panel x \$1,125.00 = \$ 2,250.00

Pre-hearing conference: November 6, 2003 1 session
May 28, 2004 1 session

Ten (10) Hearing sessions x \$1,125.00 = \$11,250.00

Hearing Dates: April 6, 2004 2 sessions
April 7, 2004 1 sessions
April 8, 2004 3 sessions
July 8, 2004 2 sessions
July 9, 2004 2 sessions

Total Forum Fees = \$13,950.00

The Arbitration Panel has assessed \$13,950.00 of the forum fees jointly and severally to Commonwealth Financial Network and James E. Daniel.

Fee Summary

Claimant, Marvin Matson, is liable for:

Initial Filing Fee	= \$ 300.00
Total Fees	= \$ 300.00
Less payments	= \$ 1,425.00
Balance refunded by NASD Dispute Resolution	= \$ 1,125.00

Respondent, Commonwealth Financial Network, is liable for:

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

Respondents, Commonwealth Financial Network and James E. Daniel, are jointly and severally liable for:

Forum Fees	= \$13,950.00
Total Fees	= \$13,950.00
Less payments	= \$ 2,750.00
Balance Due NASD Dispute Resolution	= \$11,200.00

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

ARBITRATION PANEL

John P. Goutierre, Esq. - Public Arbitrator, Presiding Chair
Harvey Burdick, Ph.D. - Public Arbitrator
Suzanne Slick - Non-Public Arbitrator

Concurring Arbitrators:

John P. Goutierre, Esq.
Public Arbitrator, Presiding Chair

Signature Date

Harvey Burdick, Ph.D.
Public Arbitrator

Signature Date

Suzanne Slick
Non-Public Arbitrator

Signature Date

7/13/04
Date of Service (For NASD office use only)

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ARBITRATION PANEL

John P. Goutierre, Esq. - Public Arbitrator, Presiding Chair
Harvey Burdick, Ph.D. - Public Arbitrator
Suzanne Slick - Non-Public Arbitrator

Concurring Arbitrators:

John P. Goutierre, Esq.
Public Arbitrator, Presiding Chair

Harvey Burdick
Harvey Burdick, Ph.D.
Public Arbitrator

Suzanne Slick
Non-Public Arbitrator

Signature Date

July 13 2004
Signature Date

Signature Date

Date of Service (For NASD office use only)

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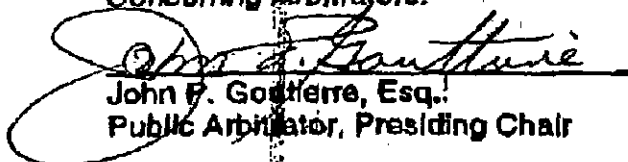
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ARBITRATION PANEL

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Harvey Burdick, Ph.D. - Public Arbitrator
Suzanne Slick - Non-Public Arbitrator

Concurring Arbitrators:


John P. Goutierre, Esq.
Public Arbitrator, Presiding Chair

7-13-04
Signature Date

Harvey Burdick, Ph.D.
Public Arbitrator

Signature Date

Suzanne Slick
Non-Public Arbitrator

Signature Date

Date of Service (For NASD office use only)

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ARBITRATION PANEL

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Harvey Burdick, Ph.D. - Public Arbitrator
Suzanne Slick - Non-Public Arbitrator

Concurring Arbitrators:

John P. Goutierre, Esq.
Public Arbitrator, Presiding Chair

Signature Date

Harvey Burdick, Ph.D.
Public Arbitrator

Signature Date


Suzanne Slick
Non-Public Arbitrator

8-12-2004
Signature Date

Date of Service (For NASD office use only)