

Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimant

Case Number: 03-03283

William J. Cody

Names of the Respondents

Hearing Site: Charlotte, North Carolina

Commonwealth Financial Network
Nexus Financial Network, LLC
Charles J. Schilleci

Nature of the Dispute: Customer vs. Member, Non-Member and Associated Person.

REPRESENTATION OF PARTIES

Claimant, William J. Cody, hereinafter referred to as "Claimant", was represented by Edward H. Glenn, Jr., Esq., Zamansky & Associates, LLC, New York, New York.

Respondents, Commonwealth Financial Network ("Commonwealth"), Nexus Financial Network, LLC ("Nexus Financial"), and Charles J. Schilleci ("Schilleci"), hereinafter collectively referred to as "Respondents", were represented by Jason A. Archinaco, Esq., Dickie, McCamey & Chilcote, P.C. Pittsburgh, Pennsylvania.

CASE INFORMATION

Statement of Claim filed on May 1, 2003.

Claimant signed the Uniform Submission Agreement on March 15, 2003.

Statement of Answer filed by Respondents on August 5, 2003.

Respondent Schilleci signed the Uniform Submission Agreement on September 19, 2003.

A representative of Respondent Nexus Financial executed the Uniform Submission Agreement on September 18, 2003.

A representative of Respondent Commonwealth executed the Uniform Submission Agreement on September 19, 2003.

Respondents' Petition to Open/Sign Stipulated Award was filed on February 2, 2005.

Claimant joined in Respondents' Petition to Open/Sign Stipulated Award on March 8, 2005.

CASE SUMMARY

Claimant asserted the following causes of action, among others: securities fraud, common law fraud, fraudulent misrepresentation and omission, unsuitability, over-concentration, failure to supervise, breach of fiduciary duty, breach of contract, negligence, and violations of the Investment Advisor's Act of 1940, NASD Rules, and Pennsylvania State Securities laws. The

causes of action relate to the purchase and sale of various mutual funds and stocks.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted the following defenses, among others: failure to mitigate, Respondents actions were in good faith and reasonable, contributory negligence, ratification, estoppel, and waiver.

RELIEF REQUESTED

Claimant in his Statement of Claim requested:

Compensatory Damages	\$750,000.00
Punitive Damages	amount unspecified
Interest	amount unspecified
Attorneys' Fees	amount unspecified
Other Costs	amount unspecified

OTHER ISSUES CONSIDERED AND DECIDED

Prior to the hearing, the parties fully and finally settled all claims by and between them. On August 20, 2004, NASD Dispute Resolution removed this matter from its docket as a result of the parties' settlement. The Panel granted the parties request to reopen the case to consider a Stipulated Award recommending the expungement of this matter from Respondent Schilleci's NASD Central Registration Depository's record. Therefore, the parties submitted this Stipulated Award to the Panel for its consideration and requested that it be entered.

The parties have agreed that the Stipulated Award in this matter may be executed in counterpart copies.

AWARD

Pursuant to the above, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. The parties have agreed to settle this matter for a sum certain to be paid by Respondents;
2. Claimant's claims are hereby dismissed in their entirety with prejudice, and all other requests for relief are denied;
3. Claimant has withdrawn his claims against Respondent Schilleci completely;
4. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Schilleci'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 Schilleci must obtain confirmation

from a court of competent jurisdiction before the CRD will execute the expungement directive;

5. The parties shall bear their respective costs, including attorneys' fees, except as Fees are specifically addressed below; and
6. Any and all relief not specifically addressed herein, including punitive damages, is denied in its entirety.

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 = \$ 375.00

Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firms that employed the associated person(s) at the time of the events giving rise to the dispute. Accordingly, Respondent Commonwealth is a party.

Member surcharge	= \$2,250.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$4,000.00
Total Member Fees	= \$7,000.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

July 27-30, 2004, adjournment by parties = 1,200.00

1. The Panel has assessed \$600.00 of the adjournment fees to Claimant.
2. The Panel has assessed \$600.00 of the adjournment fees jointly and severally to Respondents.

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 a single arbitrator @ \$450.00	= \$ 450.00
Pre-hearing conference: May 26, 2004	1 session

One (1) Pre-hearing session with Panel @ \$1,200.00	= \$1,200.00
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Pre-hearing conference: December 23, 2003	1 session
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Total Forum Fees	= \$1,650.00
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1. The Panel has assessed \$875.00 of the forum fees to Claimants.
2. The Panel has assessed \$875.00 of the forum fees jointly and severally to Respondents.

FEE SUMMARY

1. Claimant is assessed and shall pay the following fees:

Initial Filing Fee	= \$ 375.00
Adjournment Fee	= \$ 600.00
Forum Fees	= \$ 825.00
Total Fees	= \$1,800.00
Less payments	= \$1,800.00
Balance Due NASD Dispute Resolution	= \$ 0.00

2. Respondent Commonwealth is assessed and shall pay the following fees:

Member Fees	= \$7,000.00
Total Fees	= \$7,000.00
Less payments	= \$7,000.00
Balance Due NASD Dispute Resolution	= \$ 0.00

3. Respondents are jointly and severally assessed and shall pay the following fees:

Adjournment Fee	= \$ 600.00
Forum Fees	= \$ 825.00
Total Fees	= \$1,425.00
Less payments	= \$1,425.00
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

Philip H. DeTurk	-	Public Arbitrator, Presiding Chairperson
Clarence C. Guy	-	Public Arbitrator, Panelist
Mary B. Campbell	-	Non-Public Arbitrator, Panelist

Concurring Arbitrators' Signatures

Philip H. DeTurk
Public Arbitrator, Presiding Chairperson

Signature Date

Clarence C. Guy
Clarence C. Guy
Public Arbitrator, Panelist

5-16-05
Signature Date

Mary B. Campbell
Non-Public Arbitrator, Panelist

Signature Date

Date of Service (For NASD Dispute Resolution office use only)


Concurring Arbitrators' Signatures

Philip H. DeTurk
Public Arbitrator, Presiding Chairperson

Signature Date

Clarence C. Guy
Public Arbitrator, Panelist

Signature Date



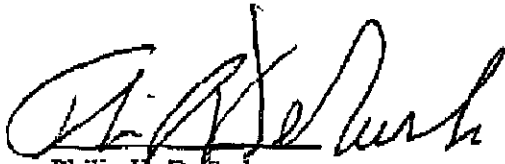
Mary B. Campbell
Non-Public Arbitrator, Panelist



Signature Date

Date of Service (For NASD Dispute Resolution office use only)

DISSENTING
~~Co-arbitrating Arbitrators' Signatures~~



Philip H. DeTurk
Public Arbitrator, Presiding Chairperson

5/18/05
Signature Date

*DISSENTS DUE TO
INSUFFICIENT INFORMATION
CONCERNING SETTLEMENT
AMOUNT*

Clarence C. Guy
Public Arbitrator, Panelist

Signature Date

Mary B. Campbell
Non-Public Arbitrator, Panelist

Signature Date

Date of Service (For NASD Dispute Resolution office use only)