

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimants

Case Number: 03-03366

Mario Sifuentes IRA,
Norma J. Sifuentes, Custodian
Victoria C. Sifuentes Custodial Account,
Alex Sifuentes Custodial Account,

Name of the Respondents

Hearing Site: Albuquerque, New Mexico

Linsco/Private Ledger Corp. and
David A. Oakley

NATURE OF DISPUTE

Customers vs. Member Firm and Associated Person

REPRESENTATION OF PARTIES

Christopher M. Moody, Esq. of the law firm Moody & Warner, P.C., located in Albuquerque, New Mexico represented the Claimants, Mario Sifuentes and Norma J. Sifuentes, hereinafter referred to as "Claimants."

David J. Freniere, Esq. and Brad Jacobs, Esq. of Linsco/Private Ledger Corporation, located in Boston, Massachusetts represented the Respondents, Linsco/Private Ledger Corp. ("Linsco") and David A. Oakley ("Oakley"), hereinafter collectively referred to as "Respondents."

CASE INFORMATION

Statement of Claim filed on or about May 7, 2003. Claimants, Mario Sifuentes and Norma Sifuentes, jointly signed the Uniform Submission Agreement on April 21, 2003. Claimant also filed a First Amended Statement of Claim on March 11, 2004.

Joint Statement of Answer filed by Respondents, Linsco and Oakley on or about August 4, 2003. Respondent, Linsco/Private Ledger Corp., signed the Uniform Submission Agreement on June 5, 2003. Respondent, David A. Oakley, signed the Uniform Submission Agreement on August 4, 2003. Respondents Linsco/Private Ledger Corp. and David A. Oakley filed a response to Claimants' First Amended Statement of Claim on March 23, 2004.

CASE SUMMARY

Claimants asserted the following causes of action: breach of contract, negligence, breach of fiduciary duty, misrepresentations, unauthorized trading, suitability and violation of federal and securities laws and regulations. The causes of action relate in part to Holly Corporation stock. ~~Claimant asserted that Linsco and Oakley improperly and without authorization sold the Holly~~ Corporation stock and other investments made in a Hartford variable annuity were unsuitable to Claimants' needs and objectives.

Unless specifically admitted in its Answer, Respondents Linsco and Oakley denied the allegations made in the Statement of Claim and asserted the following defenses:

1. The Claim fails to state a claim upon which relief can be granted. Claimants fail to alleged any grounds upon which liability can be found against the Respondents.
2. The Claim is barred by the applicable statutes of limitations.
3. The Claim is barred by equity, including, but not limited to, the doctrines of waiver, estoppel and laches.
4. The Claimants assumed the risks associated with their investments,
5. At all time relevant hereto, Respondents acted in good faith and at no time acted either intentionally, negligently, or recklessly with respect to any matter alleged in the Statement of Claim.
6. At all times relevant hereto, Respondent Oakley had a reasonable basis for the investment recommendations he made to Claimants.
7. Claimants had full knowledge of all material facts and did not rely on any act or omission alleged to have been made by Respondents.
8. Any loss that Claimants may have incurred was caused by their own negligence or the negligence of other parties not party to this action. As a result, Claimants are barred from recovering any amount that is attributable to their own negligence or to the negligence of said other parties.
9. Claimants' losses, if any, have resulted solely from their actions and economic and market forces and not from any act or omission of Respondents.
10. Claimants failed to mitigate their damages and to the extent to which they are entitled, which the Respondents specifically deny, they are barred from any recovery therefrom.
11. Claimants ratified all transactions by their inaction during all times proximate to the transaction dates and to the extent to which they are entitled (which the Respondents specifically deny) they are barred from any recovery therefrom.

RELIEF REQUESTED

Claimants requested:

Compensatory Damages	\$326,993.65
Punitive Damages	\$326,993.65
Interest	8%
Attorneys' Fees	unspecified
Other Costs	unspecified
Other Monetary/Non-Monetary Relief if any:	unspecified

Respondents, Linsco/Private Ledger Corp. and David A. Oakley, requested that this case be dismissed and all claims against the Respondents be denied.

OTHER ISSUES CONSIDERED AND DECIDED

At the hearing of this matter, Respondents orally moved for expungement of all reference to this arbitration from David A. Oakley's Central Registration Depository ("CRD") record. The Panel denies Respondents' motion.

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

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

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1. Respondent, Linsco/Private Ledger Corp., is solely liable for and shall pay to Claimant, Mario Sifuentes, the sum of \$20,000.00 as compensatory damages.
2. Respondent, Linsco/Private Ledger Corp. is solely liable for and shall pay to Claimants, Mario Sifuentes and Norma Sifuentes, the sum of \$375.00 for the non-refundable NASD Dispute Resolution filing fee.
3. Parties shall bear their own costs, including attorneys' fees, except as specified herein.
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 = \$ 375.00

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. Accordingly, Linsco/Private Ledger Corp. is a party and is assessed the following fees:

Member surcharge = \$ 2,250.00

Pre-hearing process fee = \$ 750.00

Hearing process fee = \$ 4,000.00

Forum Fees and Assessments

The Panel has assessed forum fees for each session conducted. A 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(s) with Panel @ \$1,200.00 = \$ 1,200.00

Pre-hearing conference(s): January 20, 2004 1 session

Four (4) Hearing sessions @ \$1,200.00 = \$ 4,800.00

Hearing Dates: May 11, 2004 2 sessions

May 12, 2004 2 sessions

Total Forum Fees = \$ 6,000.00

1. The Panel has assessed 100% of the total forum fees in the amount of \$6,000.00 solely to Linsco/Private Ledger Corp.

Fee Summary

1. Claimants, Mario Sifuentes and Norma Sifuentes, are jointly liable for:

Initial Filing Fee = \$ 375.00

Less payments = \$ 1,575.00

Refund Due from NASD Dispute Resolution = \$ 1,200.00

2. Respondent, Linsco/Private Ledger Corp., is solely liable for:

Member Fees	= \$ 7,000.00
Forum Fees	= \$ 6,000.00
Total Fees	= \$13,000.00
Less payments	= \$ 7,000.00
Balance Due NASD Dispute Resolution	= \$ 6,000.00

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

ARBITRATION PANEL

George F. Bingham, Esq.	-	Public Arbitrator, Presiding Chairperson
Jean F. Gibson	-	Public Arbitrator
Bernard E. Brummell	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

George F. Bingham, Esq.
Public Arbitrator, Presiding Chairperson

5/20/04
Signature Date

Jean F. Gibson
Public Arbitrator

5/20/04
Signature Date

Bernard E. Brummell
Non-Public Arbitrator

5/27/04
Signature Date

5/21/04
Date of Service (For NASD Dispute Resolution office use only)

2. Respondent, Linco/Private Ledger Corp., is solely liable for:

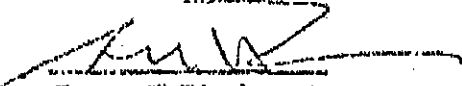
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Public Arbitrator, Presiding Chairperson

20 May '04
Signature Date

Jean F. Gibson
Public Arbitrator

Signature Date

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Non-Public Arbitrator

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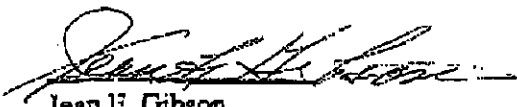
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George F. Bingham, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date


Jean F. Gibson
Public Arbitrator

05/20/04
Signature Date

Bernard E. Brummell
Non-Public Arbitrator

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NASD Dispute Resolution
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