

AWARD
NASD Dispute Resolution

In the Matter of the Arbitration Between

Name of Claimant

Barry N. Link and World Equity Group, Inc.

and

Case Number: 03-03493
Hearing Site: Chicago, Illinois

Name of Respondent

Pacific Life Insurance Co.

NATURE OF DISPUTE

Customer v. Member

REPRESENTATION OF PARTIES

Barry N. Link ("Link") and World Equity Group, Inc., ("WEG") or ("Claimants") were represented by Albert Watkins of Muchnick Dunne & Weigley, located in St. Louis, Missouri.

Pacific Life Insurance Co., ("Pacific Life") or ("Respondent"), was represented by Brian Andrew Esq., of Warner Norcross & Judd LLP, located in Grand Rapids, Michigan.

CASE INFORMATION

The Statement of Claim was filed on or about May 21, 2003. The Submission Agreement of Claimant Link was signed on or about May 8, 2003. The Submission Agreement of WEG was signed in May 8, 2003.

The Statement of Answer and Counterclaim was filed by Respondent on July 9, 2003. The Submission Agreement of Respondent was signed on or about July 9, 2003.

Claimants' Statement of Answer and Affirmative Defenses to Respondent's Counterclaim was filed on or about August 13, 2003.

Respondent filed a Motion to Dismiss the Statement of Claim on May 21, 2004.

Claimants filed a Response to the Motion to Dismiss on or about June 11, 2004.

CASE SUMMARY

Claimants Barry Link and WEG asserted the following causes of action: because of the wrongful conduct of Pacific Life, Claimant Link will be obligated to report and acknowledge a complaint on his U-4 Form; Respondent issued false and misleading statements to a Customer of the Respondent has undermined the sales efforts and professional financial planning services of Claimant Link; as a direct and proximate result of the actions of the Respondent herein, Claimant Link has sustained damage to his professional reputation and is forced and compelled to register a complaint on his U-4 despite the knowledge of the Respondent as to the erroneous nature of the complaint.

Claimants' causes of action are in connection with the sale of variable insurance products.

Unless specifically admitted in its Answer, Respondent Pacific Life denied the allegations made in the Statement of Claim and asserted affirmative defenses including the following: Claimants fail to state a claim upon which relief can be granted; Claimants' claims are barred by the terms of the selling agreement; Claimant Link lacks standing to assert claims against Pacific Life under the doctrine of equitable or promissory estoppel; Claimant WEG is estopped from raising the claims against Pacific Life under the doctrine of equitable or promissory estoppel; Claimant WEG agreed to the charge-back of commissions to Pacific life.

In its Counterclaim Pacific Life requests that the Panel enter a judgment against WEG and in favor of the unreturned commissions WEG received from Pacific Life in connection with the sale of a certain Policy. Pacific life also requests that the Panel award Pacific Life its costs and attorneys fees.

In their joint Statement of Answer to the Counterclaim, Claimants denied the allegations made in the Statement of Counter- Claim and asserted affirmative defenses including the following: Respondent has no basis in fact or in contract to unilaterally and retroactively seek recapture of a commission generated by a Pacific Life sold to the general public; Respondent unilaterally rescinded its contract with Claimants; Respondent is seeking indemnification by Claimants for the actions of Respondent; Respondent is barred from seeking recovery by the Doctrine of Unclean Hands.

RELIEF REQUESTED

Claimant requested an award in the amount of \$72,000.00 in compensatory damages, \$500,000.00 in punitive damages, expungement of any U-4 entry on Claimant Barry Link's records and disciplinary action against Respondent Pacific Life.

OTHER ISSUES CONSIDERED & DECIDED

On or about June 22, 2004 the Panel heard oral argument regarding Respondent's Motion to Dismiss.

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

1. Claimants' Barry N. Link and Word Equity Group, Inc.'s Joint Statement of Claim against Respondent Pacific Life Insurance Company is dismissed in its entirety with prejudice;
2. Respondent is awarded the retention of \$73,443.84 in commissions pursuant to its Counterclaim;
3. That any relief not specifically enumerated, including punitive damages and attorney fees, is hereby denied with prejudice; and,
4. That all costs, other than the forum fees, assessed below shall be borne by the party who incurred them.

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	= \$1,250.00
Counterclaim filing fee	= \$ 250.00

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 World Equity Group, Inc.,

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

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:

Two (2) Pre-hearing sessions with a the Panel x \$1,200.00	= \$2,400.00
Pre-hearing conferences: January 28, 2004	1 session
June 15, 2004	1 session

Total Forum Fees	= \$2,400.00
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The Arbitration Panel has assessed \$2,400.00 of the forum fees to Claimants Barry N. Link and World Equity Group, Inc. jointly and severally.

Fee Summary

Claimant World Equity Group, Inc. is solely liable for

Member Fees	= \$ 7,000.00
Less payments	= \$ 7,000.00
Balance Due NASD Dispute Resolution	= \$.00

Claimants Barry Link and World Equity Group Inc. are jointly and severally liable for:

Initial filing fee	= \$ 1,250.00
Forum Fees	= \$ 2,400.00
Total Fees	= \$ 3,650.00
Less payments	= \$ 2,450.00
Balance Due NASD Dispute Resolution	= \$ 1,200.00

Respondent Pacific Life Insurance is solely liable for:

Counterclaim filing fee	= \$ 250.00
Less payments	= \$ 00.00
Balance Due NASD Dispute Resolution	= \$ 250.00

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

ARBITRATION PANEL

John N. Chapin, Jr. - Public Arbitrator, Presiding Chair
William M. Koziol, Esq. - Public Arbitrator
Kathleen W. Arpaia - Non-Public Arbitrator

Concurring Arbitrators:

John N. Chapin, Jr.
Public Arbitrator, Presiding Chair

Signature Date

William M. Koziol, Esq.
Public Arbitrator

Signature Date

Kathleen W. Arpaia
Non-Public Arbitrator

Signature Date

Date of Service (For NASD office use only)

ARBITRATION PANEL

John N. Chapin, Jr. - Public Arbitrator, Presiding Chair
William M. Koziol, Esq. - Public Arbitrator
Kathleen W. Arpaia - Non-Public Arbitrator

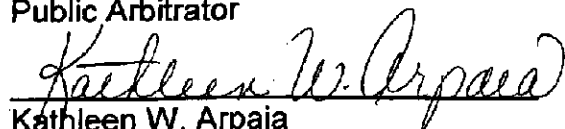
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Public Arbitrator, Presiding Chair

Signature Date

William M. Koziol, Esq.
Public Arbitrator

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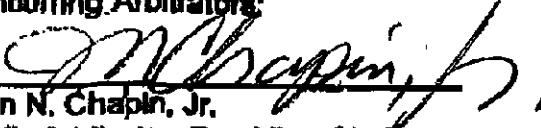
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William M. Koziol, Esq. - Public Arbitrator
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Concurring Arbitrators:



John N. Chapin, Jr.
Public Arbitrator, Presiding Chair

02/16/05

Signature Date

William M. Koziol, Esq.
Public Arbitrator

Signature Date

Kathleen W. Arpaia
Non-Public Arbitrator

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NASD Dispute Resolution
Arbitration No. 03-03493
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Kathleen W. Arpaia - Non-Public Arbitrator

Concurring Arbitrators:

John N. Chapin, Jr.
Public Arbitrator, Presiding Chair

Signature Date


William M. Koziol, Esq.
Public Arbitrator

2/17/05
Signature Date

Kathleen W. Arpaia
Non-Public Arbitrator

Signature Date

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