

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Albert Castelli (Claimant) v. HSBC Brokerage (USA), Inc. (Respondent)

Case Number: 03-04035

Hearing Site: New York, New York

Nature of the Dispute: Customer vs. Member.

REPRESENTATION OF PARTIES

Claimant Albert Castelli ("Castelli") hereinafter referred to as "Claimant" appeared *pro se*.

Respondent HSBC Brokerage (USA), Inc. hereinafter referred to as "Respondent": Scott D. Miller, Esq., HSBC Bank USA, Buffalo, NY.

CASE INFORMATION

Statement of Claim filed on or about: May 30, 2003.

Claimant signed the Uniform Submission Agreement: May 30, 2003.

Statement of Answer filed by Respondent on or about: July 30, 2003.

Respondent signed the Uniform Submission Agreement: July 11, 2003.

CASE SUMMARY

Claimant asserted the following causes of action: suitability; misrepresentation; and failure to supervise. Claimant's claim involved the HSBC Growth and Income Mutual Fund.

Unless specifically admitted in its Answer, Respondent denied the allegations made in the Statement of Claim.

RELIEF REQUESTED

Claimant requested compensatory damages in the amount of \$30,785.00.

Respondent requested that the Panel dismiss Claimant's claim.

OTHER ISSUES CONSIDERED AND DECIDED

The parties agreed that Arbitrator John A. Astorina, Esq., the non-public arbitrator, serve as Chairperson.

At the conclusion of Claimant's case, Respondent moved to dismiss for failure to state a claim. After due consideration, the Panel denied the motion.

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.

AWARD

After considering the pleadings, and 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:

1. The Panel rules in favor of the Respondent as to any and all issues in controversy presented by the Claimant; therefore, Claimant's claims are denied in their entirety.
2. Any and all relief not specifically addressed herein 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	= \$175.00
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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, HSBC Brokerage USA, Inc. is a party.

Member surcharge	= \$ 875.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$1,000.00

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 with a single arbitrator @ \$450.00 = \$ 450.00
Pre-hearing conference: March 15, 2004 1 session

One (1) Pre-hearing session with Panel @ \$600.00 = \$ 600.00
Pre-hearing conference: January 15, 2004 1 session

Two (2) Hearing sessions @ \$600.00 = \$1,200.00

Hearing Date: May 6, 2004 2 sessions

Total Forum Fees = \$2,250.00

1. The Panel has assessed \$1,125.00 of the forum fees against Claimant.
2. The Panel has assessed \$1,125.00 of the forum fees against Respondent.

Fee Summary

1. Claimant is solely liable for:

Initial Filing Fee	= \$ 175.00
<u>Forum Fees</u>	= \$1,125.00
Total Fees	= \$1,300.00
<u>Less payments</u>	= \$ 775.00
Balance Due NASD Dispute Resolution	= \$ 525.00

2. Respondent is solely liable for:

Member Fees	= \$2,625.00
<u>Forum Fees</u>	= \$1,125.00
Total Fees	= \$3,750.00
<u>Less payments</u>	= \$2,625.00
Balance Due NASD Dispute Resolution	= \$1,125.00

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

ARBITRATION PANEL

John A. Astorina, Esq.	-	Non-Public Arbitrator, Presiding Chair
Hugh N. Fryer, Esq.	-	Public Arbitrator
Hilary B. Miller, Esq.	-	Public Arbitrator

Concurring Arbitrators' Signatures

I, the undersigned arbitrator, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument, which is my award.

John A. Astorina
John A. Astorina, Esq.
Non-Public Arbitrator, Presiding Chairperson

5/13/04
Signature Date

Hugh N. Fryer, Esq.
Public Arbitrator

Signature Date

Hilary B. Miller, Esq.
Public Arbitrator

Signature Date

May 17, 2004
Date of Service (For NASD Dispute Resolution use only)

ARBITRATION PANEL

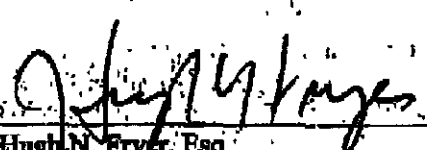
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Non-Public Arbitrator, Presiding Chairperson

Signature Date



Hugh N. Fryer, Esq.
Public Arbitrator

5-13-04

Signature Date

Hilary B. Miller, Esq.
Public Arbitrator

Signature Date

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Non-Public Arbitrator, Presiding Chairperson

Signature Date

Hugh N. Fryer, Esq.
Public Arbitrator

Signature Date



Hilary B. Miller, Esq.
Public Arbitrator

5/11/04
Signature Date

May 17, 2004
Date of Service (For NASD Dispute Resolution use only)