

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Great Eastern Securities, Inc. (Claimant) v. America's Hedge Fund, John Daniel Minerva,
Joseph Frank Pappalardo, Jr., and Ronald James Turner (Respondents)

Case Number: 03-04391

Hearing Site: New York, New York

Nature of the Dispute: Member vs. Non-Member and Associated Persons.

REPRESENTATION OF PARTIES

Claimant Great Eastern Securities, Inc. ("GES") hereinafter referred to as "Claimant": Robert Bertsch, Esq., Bertsch & Associates, P.C., Port Washington, NY.

Respondent John Daniel Minerva ("Minerva") appeared *pro se*.

Respondent America's Hedge Fund ("AHF"): Christian Kuretski, America's Hedge Fund, Staten Island, NY.

Respondent Joseph Frank Pappalardo, Jr. ("Pappalardo") did not make an appearance in this matter.

Respondent Ronald James Turner ("Turner") did not make an appearance in this matter.

CASE INFORMATION

Statement of Claim filed on or about: June 16, 2003.

Claimant signed the Uniform Submission Agreement.

Statement of Answer filed by Respondent Minerva on or about: September 28, 2003.

Respondent Minerva signed the Uniform Submission Agreement: September 28, 2003.

Respondent AHF did not file a Statement of Answer or sign a Uniform Submission Agreement.

Respondent Pappalardo did not file a Statement of Answer or sign a Uniform Submission Agreement.

Respondent Turner did not file a Statement of Answer or sign a Uniform Submission Agreement.

CASE SUMMARY

Claimant asserted the following causes of action: breach of contract; fraud; violations of NASD Rules of Fair Practice; violation of the Securities and Exchange Act of 1934; and unjust enrichment.

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

RELIEF REQUESTED

Claimant requested compensatory damages in the amount of \$500,000.00; an order freezing the assets of America's Hedge Fund; costs; and attorneys' fees.

OTHER ISSUES CONSIDERED AND DECIDED

Upon review of the file and the representations made on behalf of the Claimant, the undersigned arbitrators (the "Panel") determined that Respondents Minerva, AHF, Pappalardo, and Turner have been properly served with the Statement of Claim and received due notice of the hearing, and that arbitration of the matter would proceed without said Respondents present, in accordance with the NASD Code of Arbitration Procedure (the "Code").

Respondents AHF, Pappalardo, and Turner did not file with NASD Dispute Resolution a properly executed Uniform Submission Agreement but are required to submit to arbitration pursuant to the Code and are bound by the determination of the Panel on all issues submitted

Prior to the hearing, Claimant made a motion for summary judgment. 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. Respondents Minerva, Pappalardo, and Turner are jointly and severally liable for and shall pay to Claimant compensatory damages in the amount of \$121,627.97. This amount includes attorneys' fees as per the contract.
2. Respondents Minerva, Pappalardo, and Turner are jointly and severally liable for and shall pay to Claimant the sum of \$1,000.00, to reimburse Claimant for the filing fee previously paid to NASD Dispute Resolution.

3. 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 = \$1,000.00

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 persons at the time of the events giving rise to the dispute. Accordingly, Great Eastern Securities, Inc. is a party.

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

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 Panel @ \$1,125.00	= \$1,125.00
Pre-hearing conference: January 16, 2004 1 session	
Four (4) Hearing sessions @ \$1,125.00	= \$4,500.00
Hearing Dates: August 10, 2004 2 sessions	
November 29, 2004 2 sessions	
Total Forum Fees	= \$5,625.00

1. The Panel has assessed \$5,625.00 of the forum fees jointly and severally against Respondents Minerva, Pappalardo, and Turner.

Fee Summary

1. Claimant is solely liable for:	
Initial Filing Fee	= \$1,000.00
<u>Member Fees</u>	= \$5,200.00
Total Fees	= \$6,200.00
<u>Less payments</u>	= \$7,325.00
Refund Due Claimant	= \$1,125.00

As stated in the "Award" section above, Respondents Minerva, Pappalardo, and Turner are jointly and severally liable for and shall reimburse Claimant for the \$1,000.00 filing fee.

2. Respondents Minerva, Pappalardo, and Turner are jointly and severally liable for:

<u>Forum Fees</u>	<u>= \$5,625.00</u>
<u>Total Fees</u>	<u>= \$5,625.00</u>
<u>Less payments</u>	<u>= \$ 0.00</u>
<u>Balance Due NASD Dispute Resolution</u>	<u>= \$5,625.00</u>

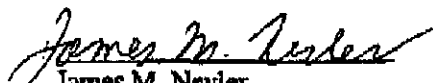
All balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

James M. Nevler	-	Public Arbitrator, Presiding Chairperson
Arnold Linsky	-	Public Arbitrator
Jennifer J. Winstel	-	Non-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.


James M. Nevler
Public Arbitrator, Presiding Chairperson

12-1-2004
Signature Date

Arnold Linsky
Public Arbitrator

Signature Date

Jennifer J. Winstel
Non-Public Arbitrator

Signature Date

December 2, 2004
Date of Service (For NASD Dispute Resolution use only)

NASD Dispute Resolution
Arbitration No. 03-04391
Award Page 5 of 5

ARBITRATION PANEL

James M. Nevler	-	Public Arbitrator, Presiding Chairperson
Arnold Limsky	-	Public Arbitrator
Jennifer J. Winstel	-	Non-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.

James M. Nevler
Public Arbitrator, Presiding Chairperson

Signature Date



Arnold Limsky
Public Arbitrator

Signature Date

Jennifer J. Winstel
Non-Public Arbitrator

Signature Date

December 2, 2004
Date of Service (For NASD Dispute Resolution use only)

ARBITRATION PANEL

James M. Nevler	-	Public Arbitrator, Presiding Chairperson
Arnold Linsky	-	Public Arbitrator
Jennifer J. Winstel	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

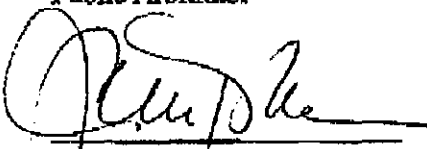
I, the undersigned arbitrator, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument which is my award.

James M. Nevler
Public Arbitrator, Presiding Chairperson

Signature Date

Arnold Linsky
Public Arbitrator

Signature Date



Jennifer J. Winstel
Non-Public Arbitrator

12-1-2004
Signature Date

December 2, 2004
Date of Service (For NASD Dispute Resolution use only)