

Award

NASD Dispute Resolution

In the Matter of the Arbitration Between:

J.P. Morgan Securities of Texas, Inc. (f/k/a Chase Securities of Texas, Inc.), Chase Investment Services Corp., Wells Fargo Brokerage Services, LLC and Wells Fargo Investments and Cesar Roel Perez,

Claimants,

vs.

Antonio Figueroa Rea, Maria Luz Segura Lopez, Jose Carmen Garcia Mancera, Maria Luisa Soto Nieto, Pedro Martinez Sanchez, Maria Rosario Veladez Chavez, Victor Ramirez Lugo, Maria De Jesus Ramirez Ramirez, Gregorio Ramos Perez, Ernestina Martinez Gutierrez, Refugio Vasquez Ortiz, Maria Del Socorro Luevano Luevano, Canderlario Villalobos Perez, Maria Del Carmen Diaz Rodriguez, Ricardo Zavala Almanza, Adela Almanza Baesa, Maria Dolores Rodriguez Olvera, Elsa Irene Villafranca Cortez, Araceli Zavala Almansa, Sonia Baez Vasquez, and Imelda Maldonado Hernandez,

Respondents.

Case Number: 03-04396
Hearing Site: Houston, Texas

Nature of Dispute: Member Firms, Terminated Member and Associated Person vs. Customers

REPRESENTATION OF PARTIES

Claimants J.P. Morgan Securities of Texas, Inc (f/k/a Chase Securities of Texas, Inc.) and Chase Investment Services Corp. were represented by David D. Sterling, Esq., Michael C. Massengale, Esq. and Karlene D. Poll, Esq. of Baker Botts LLP located in Houston, Texas.

Claimant Cesar Roel Perez was represented by Mark K. Glasser, Esq. and C. Brannon Robertson, Esq. of King & Spalding LLP located in Houston, Texas and Ernest Gamez, Jr. of Law Offices of Ernest Gamez, Jr., PC located in Brownsville, Texas.

Claimants Wells Fargo Brokerage Services, LLC and Wells Fargo Investments were represented by Rodney Acker, Esq. and Angela D. McKee, Esq. of Jenkins & Gilchrist located in Dallas, Texas and Jorge C. Rangel, Esq. of The Rangel Law Firm located in Corpus Christi, Texas.

Respondents Antonio Figueroa Rea, Maria Luz Segura Lopez, Jose Carmen Garcia Mancera,

Maria Luisa Soto Nieto, Pedro Martinez Sanchez, Maria Rosario Veladez Chavez, Victor Ramirez Lugo, Maria De Jesus Ramirez Ramirez, Gregorio Ramos Perez, Ernestina Martinez Gutierrez, Refugio Vasquez Ortiz, Maria Del Socorro Luevano Luevano, Canderlario Villalobos Perez, Maria Del Carmen Diaz Rodriguez, Ricardo Zavala Almanza, Adela Almanza Baesa, Maria Dolores Rodriguez Olvera, Elsa Irene Villafranca Cortez, Araceli Zavala Almanza, Sonia Baez Vasquez, and Imelda Maldonado Hernandez were represented by Michael A. Caddell, Esq. and Cory S. Fein, Esq. of Caddell & Chapman located in Houston, Texas.

CASE INFORMATION

The Statement of Claim was filed on or about June 17, 2002.

The Amended Statement of Claim was filed on or about August 21, 2003.

The Claimants signed the Uniform Submission Agreements on or about June 12, 2003 and June 13, 2003.

The Statement of Answer was filed on or about July 31, 2003.

The First Supplemental Answer was filed on or about October 6, 2003.

Respondents' attorney signed modified Uniform Submission Agreements on or about June 18, 2003.

CASE SUMMARY

All parties to this arbitration proceeding are parties to cause number 2002-09-003856-B pending before the 138th Judicial District Court of Cameron County, Texas. All parties have agreed to submit to arbitration the questions of (1) whether the Respondents are contractually obligated to arbitrate their claims in the underlying against JP. Morgan Securities of Texas, Inc., Chase Investment Services Corp., and Cesar Roel Perez and (2) whether the Respondents Antonio Figueroa Rea, Maria Luz Segura Lopez are contractually obligated to arbitrate their claims in the underlying against Wells Fargo Brokerage Services, LLC.

In the Statement of Claim, Claimants contended that Respondents signed enforceable arbitration agreements and requested that the Panel find that Respondents are contractually obligated to arbitrate their claims. In the Statement of Answer, Respondents contended that the arbitration agreements Claimants seek to enforce were unconscionable as a matter of law because of the manner in which the applications were signed, thereby rendering the agreements invalid and unenforceable.

RELIEF REQUESTED

In the Statement of Claim, Claimants requested:

Attorney's Fees	Unspecified
Costs	Unspecified
Non-Monetary Relief/Declaratory Judgment	That the Panel find that Respondents are contractually obligated to arbitrate their claims.

In the Statement of Answer, Respondents requested a dismissal of the claim prior to the hearing, as well as an award of costs and attorney fees. Respondent's also requested Claimants be sanctioned for alleging bad faith and baseless claims.

OTHER ISSUES CONSIDERED AND DECIDED

The parties agree 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 the NASD Dispute Resolution.

Post-Hearing submissions were filed on or about November 14, 2003.

AWARD

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

1. Respondents Antonio Figueroa Rea, Maria Luz Segura Lopez, Jose Carmen Garcia Mancera, Maria Luisa Soto Nieto, Pedro Martinez Sanchez, Maria Rosario Veladez Chavez, Victor Ramirez Lugo, Maria De Jesus Ramirez Ramirez, Gregorio Ramos Perez, Ernestina Martinez Gutierrez, Refugio Vasquez Ortiz, Maria Del Socorro Luevano Luevano, Canderlario Villalobos Perez, Maria Del Carmen Diaz Rodriguez, Ricardo Zavala Almanza, Adela Almanza Baesa, Maria Dolores Rodriguez Olvera, Elsa Irene Villafranca Cortez, Araceli Zavala Almansa, Sonia Baez Vasquez, and Imelda Maldonado Hernandez are contractually obligated to arbitrate all their claims against Claimants J.P. Morgan Securities of Texas, Inc (f/k/a Chase Securities of Texas, Inc.), Chase Investment Services Corp., and Cesar Roel Perez, that have been asserted in No. 2002-09-003856-B; *Antonio Figueroa Rea, et al. v. Chase Securities of Texas, Inc., et al.*, pending in the 138th Judicial Court of Cameron County, Texas;

2. Antonio Figueroa Rea and Maria Luz Segura Lopez are contractually obligated to arbitrate all claims against Wells Fargo Brokerage Services, LLC and Wells Fargo Investments, that have been asserted in No. 2002-09-003856-B; *Antonio Figueroa Rea, et al. v. Chase Securities of Texas, Inc., et al.*, pending in the 138th Judicial Court of Cameron County, Texas;
3. Each party will bear its own attorney fees and costs incurred in this matter;
4. Any and all relief not specifically granted herein, including punitive damages, is denied with prejudice.

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	= \$ 500.00
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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 firms that employed the associated person(s) at the time of the events giving rise to the dispute. J.P. Morgan Securities of Texas, Inc., Chase Investment Services Corp., Wells Fargo Brokerage Services, LLC and Wells Fargo Investments, LLC are member firms.

Member surcharge	= \$ 1,500.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$ 2,200.00

Forum Fees and Assessments

The Panel has assessed forum fees for each session conducted. A session is any meeting between the parties and the 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 Panel @ \$1,000	= \$ 1,000.00
Pre-hearing conference: October 9, 2003	
One (1) Pre-hearing session with Panel Chair @ \$450	= \$ 450.00
Pre-hearing conference: October 16, 2003	

Seven (7) hearing sessions with Panel @ \$1,000 = \$ 7,000.00
Hearing sessions: November 5, 2003 for two (2) sessions
November 6, 2003 for two (2) sessions
November 7, 2003 for three (3) sessions

Total Forum Fees = \$ 8,450.00

1. The Panel has assessed ½ of the forum fees in the amount of \$4,225.00 to Claimants, jointly and severally.
2. The Panel has assessed ½ of the forum fees in the amount of \$4,225.00 to Respondents, jointly and severally.

FEE SUMMARY

Claimants J.P. Morgan Securities of Texas, Inc. (f/k/a Chase Securities of Texas, Inc.), Chase Investment Services Corp., Wells Fargo Brokerage Services, LLC and Wells Fargo Investments and Cesar Roel Perez are jointly and severally liable for:

Initial Filing Fee	= \$ 1,500.00
Forum Fees	= \$ 4,225.00
Total Fees	= \$ 4,725.00
Less payments	= \$ 1,500.00
Amount Due	= \$ 3,225.00

Claimant J.P. Morgan Securities of Texas, Inc. is liable for:

Member Fees	= \$ 4,450.00
Total Fees	= \$ 4,450.00
Less payments	= \$ 1,500.00
Amount Due	= \$ 2,950.00

Claimant Chase Investment Services Corp. is liable for:

Member Fees	= \$ 4,450.00
Total Fees	= \$ 4,450.00
Less payments	= \$ 2,250.00
Amount Due	= \$ 2,200.00

Claimant Wells Fargo Investments is liable for:

Member Fees	= \$ 4,450.00
Total Fees	= \$ 4,450.00
Less payments	= \$ 2,250.00

Amount Due = \$ 2,200.00

Claimant Wells Fargo Brokerage Services, LLC is liable for:

Member Fees	= \$ 4,450.00
Total Fees	= \$ 4,450.00
Less payments	= \$ 750.00
Amount Due	= \$ 3,700.00

Respondents Antonio Figueroa Rea, Maria Luz Segura Lopez, Jose Carmen Garcia Mancera, Maria Luisa Soto Nieto, Pedro Martinez Sanchez, Maria Rosario Veladez Chavez, Victor Ramirez Lugo, Maria De Jesus Ramirez Ramirez, Gregorio Ramos Perez, Ernestina Martinez Gutierrez, Refugio Vasquez Ortiz, Maria Del Socorro Luevano Luevano, Canderlario Villalobos Perez, Maria Del Carmen Diaz Rodriguez, Ricardo Zavala Almanza, Adela Almanza Baesa, Maria Dolores Rodriguez Olvera, Elsa Irene Villafranca Cortez, Araceli Zavala Almansa, Sonia Baez Vasquez, and Imelda Maldonado Hernandez are jointly and severally liable for:

Forum Fees	= \$ 4,225.00
Total Fees	= \$ 4,225.00
Less payments	= \$ 00.00
Amount Due	= \$ 4,225.00

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

ARBITRATION PANEL

Philip I. McConnell, Esq. - Public Arbitrator, Presiding Chairperson
Larry J. Craddock, J.D. - Public Arbitrator
James R. Augustine - Non-Public Arbitrator

Concurring Arbitrators' Signatures

/s/ Philip I. McConnell
Philip I. McConnell, Esq.
Public Arbitrator, Presiding Chairperson

November 26, 2003
Signature Date

/s/ Larry J. Craddock
Larry J. Craddock, J.D.
Public Arbitrator

November 26, 2003
Signature Date

/s/ James R. Augustine
James R. Augustine
Non-Public Arbitrator

November 30, 2003
Signature Date

November 28, 2003
Date of Service (For NASD Dispute Resolution use only)

Concurring Arbitrators' Signatures

Philip J. McConnell

Philip L. McConnell, Esq.
Public Arbitrator, Presiding Chairperson

11/26/03

Signature Date

Larry J. Craddock, J.D.
Public Arbitrator

Signature Date

James R. Augustine
Non-Public Arbitrator

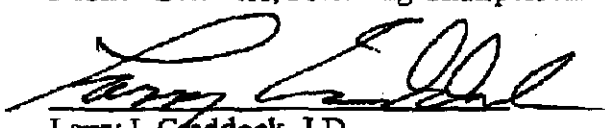
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Date of Service (For NASD Dispute Resolution use only)

Concurring Arbitrators' Signatures

Philip I. McConnell, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date



Larry J. Craddock, J.D.
Public Arbitrator

11/26/03

Signature Date

James R. Augustine
Non-Public Arbitrator

Signature Date

Date of Service (For NASD Dispute Resolution use only)


Concurring Arbitrators' Signatures

Philip I. McConnell, Esq.
Public Arbitrator, Presiding Chairperson

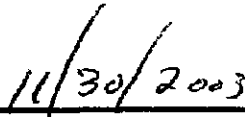
Signature Date

Larry J. Craddock, J.D.
Public Arbitrator

Signature Date



James R. Augustine
Non-Public Arbitrator



Signature Date

Date of Service (For NASD Dispute Resolution use only)