

**Award
NASD Dispute Resolution**

In the Matter of the Arbitration Between:

Name of the Claimants

Eugene R. and Patricia M. Olson

Case Number: 03-04428

Name of the Respondents

Kenneth Rock

American Express Financial Advisors, Inc.

Hearing Site: Pittsburgh, PA

Nature of the Dispute: Customers vs. Associated Person and Member

REPRESENTATION OF PARTIES

Claimants, Eugene R. and Patricia M. Olson, hereinafter collectively referred to as "Claimants", were represented by Robert M. Kramer, Esq., Pittsburgh, Pennsylvania.

Respondents, Kenneth Rock ("Rock") and American Express Financial Advisors, Inc. ("American Express"), hereinafter collectively referred to as "Respondents", were represented by Joshua Horn, Fox * Rothschild, LLP, Philadelphia, Pennsylvania.

CASE INFORMATION

Statement of Claim filed on June 18, 2003.

Claimants signed the Uniform Submission Agreement on June 5, 2003.

Statement of Answer filed by Respondents on October 3, 2003.

Respondent Rock signed the Uniform Submission Agreement on July 11, 2003.

A representative of Respondent American Express signed the Uniform Submission Agreement on July 8, 2003.

CASE SUMMARY

Claimants asserted the following causes of action: violation of the Securities Act of 1933; violation of the Securities Exchange Act of 1934; violation of the Pennsylvania Securities Act of 1972; violation of the Pennsylvania Unfair Trade Practices and Consumer Protection Law; fraud; negligence; agency; breach of fiduciary duty; and, breach of contract. The causes of action relate to the purchase and sale of mutual funds, bond funds and government income funds.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted the following defenses among others: failure to state a claim upon which relief may be granted; ratification; laches, waiver and estoppel; contributory negligence; failure to mitigate; and, statute of limitations.

7/22

NASD Dispute Resolution
Arbitration No. 03-04428
Award Page 2

RELIEF REQUESTED

Claimants requested:

Compensatory Damages	\$305,957.00
Interest	unspecified amount
Attorneys' Fees	unspecified amount
Costs	unspecified amount

Respondents requested an award in their favor together with such other relief that the arbitrators deem just and proper.

OTHER ISSUES CONSIDERED AND DECIDED

At the hearing on the merits, Respondents' moved the Panel to dismiss Claimants' claims. The Panel denied the motion.

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:

1. Respondents Rock and American Express are liable to and shall pay to Claimants the sum of two hundred forty thousand dollars and no cents (\$240,000.00) in compensatory damages at the rate of six percent (6%) simple interest accruing from August 1, 2001 until the award is paid in full;
2. The parties shall bear their respective costs, including attorneys' fees, except as Fees are specifically addressed below; and,
3. Any and all relief not specifically addressed herein is denied in its entirety.

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	= \$300.00
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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, American Express is a party.

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

NASD Dispute Resolution
Arbitration No. 03-04428
Award Page 3

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

October 19-22, 2004, adjournment requested by Claimants = waived

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 a single arbitrator @ \$450.00	= \$450.00
Pre-hearing conference: April 5, 2004 1 session	
One (1) Pre-hearing session with Panel @ \$1,125.00	= \$ 1,125.00
Pre-hearing conference: February 3, 2004 1 session	
Seven (7) Hearing sessions @ \$1,125.00	= \$ 7,875.00
Hearing Date: May 10, 2005 2 sessions	
May 11, 2005 2 sessions	
May 12, 2005 2 sessions	
May 13, 2005 1 session	

Total Forum Fees = \$ 9,450.00

The Panel has assessed \$9,450.00 of the forum fees to American Express.

Fee Summary

1. Claimants are assessed and shall pay:

Initial Filing Fee	= \$ 300.00
Total Fees	= \$ 300.00
Less payments	= \$ 1,125.00
Balance Due NASD Dispute Resolution	= \$ 1,125.00 ^{825.00}

2. Respondent American Express is assessed and shall pay:

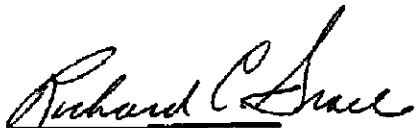
Member Fees	= \$ 5,200.00
Forum Fees	= \$ 9,450.00
Total Fees	= \$14,650.00
Less payments	= \$ 5,200.00
Balance Due NASD Dispute Resolution	= \$ 9,450.00

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

ARBITRATION PANEL

Richard C. Grace	-	Public Arbitrator, Presiding Chairperson
Michael S. Lando, Esq.	-	Public Arbitrator, Panelist
Brent D. Berkman, CPA	-	Non-Public Arbitrator, Panelist

Concurring Arbitrators' Signatures



Richard C. Grace
Public Arbitrator, Presiding Chairperson

May 23, 2005
Signature Date

Michael S. Lando, Esq.
Public Arbitrator, Panelist

Signature Date

Brent D. Berkman, CPA
Non-Public Arbitrator, Panelist

Signature Date

May 27, 2005
Date of Service (For NASD Dispute Resolution office use only)

ARBITRATION PANEL

Richard C. Grace	-	Public Arbitrator, Presiding Chairperson
Michael S. Lando, Esq.	-	Public Arbitrator, Panelist
Brent D. Berkman, CPA	-	Non-Public Arbitrator, Panelist

Concurring Arbitrators' Signatures

Richard C. Grace
Public Arbitrator, Presiding Chairperson

Signature Date



Michael S. Lando, Esq.
Public Arbitrator, Panelist

5/23/05
Signature Date

Brent D. Berkman, CPA
Non-Public Arbitrator, Panelist

Signature Date

May 27, 2005

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NASD Dispute Resolution
Arbitration No. 03-04428
Award Page 4

ARBITRATION PANEL

Richard C. Grace	-	Public Arbitrator, Presiding Chairperson
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Brent D. Berkman, CPA	-	Non-Public Arbitrator, Panelist

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Richard C. Grace
Public Arbitrator, Presiding Chairperson

Signature Date

Michael S. Lando, Esq.
Public Arbitrator, Panelist

Signature Date



Brent D. Berkman, CPA
Non-Public Arbitrator, Panelist



Signature Date

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