
Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimant

Kathleen Galvin, individually,
and on behalf of the Kathleen Galvin IRA

Case Number: 03-04463

Names of the Respondents

K.W. Brown Investments
Kenneth Brown

Hearing Site: Boca Raton, Florida

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

REPRESENTATION OF PARTIES

For Kathleen Galvin, individually, and on behalf of the Kathleen Galvin IRA, hereinafter referred to as "Claimant": Glenn D. Kelly, Esq., Kelly & Warren, P.A., West Palm Beach, Florida.

For K.W. Brown Investments ("KW Brown") and Kenneth Brown ("Kenneth Brown"), hereinafter collectively referred to as "Respondents": Stephen A. Mendelsohn, Esq., Greenberg Traurig, P.A., Boca Raton, Florida.

CASE INFORMATION

Statement of Claim filed on or about: June 19, 2003.

Claimant signed, but did not date, the Uniform Submission Agreement.

Statement of Answer filed by Respondents on or about: August 18, 2003.

Respondent KW Brown signed the Uniform Submission Agreement: August 18, 2003.

Respondent Kenneth Brown did not file an executed Uniform Submission Agreement.

CASE SUMMARY

Claimant asserted the following causes of action: breach of fiduciary duty; common law fraud; negligence; gross negligence; negligent supervision; violation of the Florida Securities and Investor Protection Act; and, breach of contract. The causes of action relate to the purchase and sale of unspecified securities products in Claimant's account.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted various defenses.

RELIEF REQUESTED

Claimant requested compensatory damages of at least \$100,000.00 but not to exceed \$500,000.00, costs and recessionary damages pursuant to Chapter 517 of the Florida Statutes. In addition, Claimant requested that the Panel refer the issue of attorney's fees to a court of

competent jurisdiction in accordance with Florida law together with a recommendation to the court that attorney's fees be awarded to Claimant as the prevailing party under Chapter 517 of the Florida Statutes.

Respondents requested that Claimant's claims be dismissed. In addition, Respondents asserted that they intended to seek attorney's fees from a court of competent jurisdiction.

OTHER ISSUES CONSIDERED AND DECIDED

Respondent Kenneth Brown did not file with NASD Dispute Resolution a properly executed submission to arbitration but is required to submit to arbitration pursuant to the NASD Code of Arbitration Procedure (the "Code") and, having answered the claim, is bound by the determinations of the Panel on all issues submitted.

On or about December 15, 2004, Claimant notified NASD Dispute Resolution that this matter had been settled and the claims were voluntarily dismissed, with prejudice. As such, NASD Dispute Resolution closed the file in this matter. Thereafter, on or about January 24, 2005, the parties submitted a Motion to Reopen Matter for Sole Purpose of Entering Award Directing Expungement and an Agreed Motion for Dismissal of all Claims and for the Entry of a Stipulated Award Directing Expungement. In the motions, the parties requested that the Panel enter a Stipulated Award expunging this matter from Respondent Kenneth Brown's NASD Central Registration Depository ("CRD") records. On or about January 28, 2005, the Panel granted the parties' requests.

Prior to the settlement of this matter, the non-public arbitrator withdrew from the Panel in this matter. Thereafter, the parties agreed to proceed with only two public arbitrators on the Panel.

The parties have agreed that the Stipulated Award in this matter may be executed in counterpart copies.

AWARD

After considering the pleadings, the Agreed Motion for Dismissal of all Claims and for the Entry of a Stipulated Award Directing Expungement and the record in this matter, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

All claims are dismissed, with prejudice.

The Panel recommends the expungement of all references to the above captioned arbitration from Respondent Kenneth Brown's registration records maintained by the NASD CRD, with the understanding that pursuant to NASD Notices to Members 99-09 and 99-54, Respondent Kenneth Brown must obtain confirmation from a court of competent jurisdiction before the NASD CRD will execute the expungement directive.

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

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 K.W. Brown Investments is a party.

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

Adjournment Fees

Adjournment granted during these proceedings:

September 8-14, 2004, joint mediation adjournment request = \$ 1,125.00

No adjournment fee assessed pursuant to Rule 10403 of the Code.

Three-Day Cancellation Fees

Fees apply when a hearing on the merits is postponed or settled within three business days before the start of a scheduled hearing session:

No three-day cancellation fees were incurred in this matter.

Injunctive Relief Fees

Injunctive relief fees are assessed to each member or associated person who files for a temporary injunction in court. Parties in these cases are also assessed arbitrator travel expenses and costs when an arbitrator is required to travel outside his or her hearing location and additional arbitrator honoraria for the hearing for permanent injunction. These fees, except the injunctive relief surcharge, are assessed equally against each party unless otherwise directed by the Panel.

No injunctive relief fees were incurred in this matter.

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 the Panel @ \$1,125.00 = \$1,125.00

Pre-hearing conference: December 16, 2003 1 session

Total Forum Fees = \$1,125.00

The Panel has assessed \$562.50 of the forum fees to Claimant.

The Panel has assessed \$562.50 of the forum fees jointly and severally to Respondents.

Administrative Costs

Administrative costs are expenses incurred due to a request by a party for special services beyond the normal administrative services. These include, but are not limited to: additional copies of arbitrator awards; copies of audio transcripts; retrieval of documents from archives; interpreters; and, security.

No administrative costs were incurred in this matter.

Fee Summary

Claimant is solely liable for:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$ 562.50
Total Fees	= \$ 862.50
Less payments	= \$ 862.50
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondent KW Brown is solely liable for:

Member Fees	= \$ 5,200.00
Total Fees	= \$ 5,200.00
Less payments	= \$ 5,200.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondents are jointly and severally liable for:

Forum Fees	= \$ 562.50
Total Fees	= \$ 562.50
Less payments	= \$ 562.50
Balance Due NASD Dispute Resolution	= \$ 0.00

ARBITRATION PANEL

Robert Weiner	-	Public Arbitrator, Presiding Chairperson
Guy K. Stewart, Jr.	-	Public Arbitrator

Concurring Arbitrators' Signatures

/s/

02/02/05

Robert Weiner
Public Arbitrator, Presiding Chairperson

Signature Date

/s/

02/07/05

Guy K. Stewart, Jr.
Public Arbitrator

Signature Date

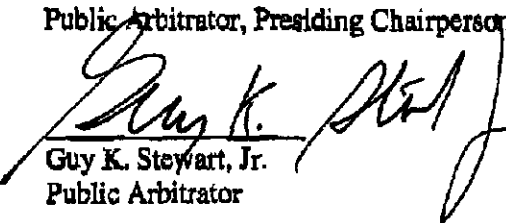
02/10/05

Date of Service (For NASD Dispute Resolution office use only)

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Concurring Arbitrators' Signatures

Robert Weiner
Public Arbitrator, Presiding Chairperson

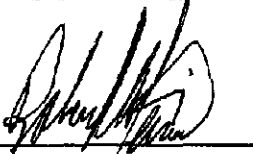

Guy K. Stewart, Jr.
Public Arbitrator

Signature Date

Feb. 7, 2005
Signature Date

Date of Service (For NASD Dispute Resolution office use only)

Concurring Arbitrators' Signatures



Robert Werner
Public Arbitrator, Presiding Chairperson

2/2/06
Signature Date

Guy K. Stewart, Jr.
Public Arbitrator

Signature Date

Date of Service (For NASD Dispute Resolution office use only)