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**Stipulated Award**  
**NASD Dispute Resolution**

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In the Matter of the Arbitration Between:

Names of the Claimants

Elaine Telchin

Mary Glorio

Case Number: 03-05117

Names of the Respondents

Rick St. George

Global Financial Advisory, Inc.

Intersecurities, Inc.

Hearing Site: Tampa, Florida

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Nature of the Dispute: Customer v. Associated Person, Non-member and Member.

**REPRESENTATION OF PARTIES**

For Elaine Telchin ("Telchin") and Mary Glorio ("Glorio"), hereinafter collectively referred to as "Claimants":  
Steele T. Williams, Esq., Steele T. Williams, P.A., Sarasota, Florida.

For Rick St. George ("George"), Global Financial Advisory, Inc. ("Global") and Intersecurities, Inc. ("ISI"),  
hereinafter collectively referred to as "Respondents": Peter B. King, Esq. and Lindsey R. Trowell, Esq., Fowler  
White Boggs Banker, P.A., Tampa, Florida.

**CASE INFORMATION**

Statement of Claim filed on or about: July 8, 2003.

Claimants signed the Uniform Submission Agreements: June 2, 2003.

Statement of Answer filed by Respondents on or about: September 22, 2003.

Respondent ISI signed the Uniform Submission Agreement: October 7, 2003.

Respondents George and Global signed the Uniform Submission Agreements: October 10, 2003.

**CASE SUMMARY**

Claimants asserted the following causes of action against Respondents: violations of the Florida Securities and  
Investor Protection Act, breach of fiduciary duty, fraud and negligent misrepresentation. The causes of action  
relate to the purchase in Claimants' accounts of various variable annuities.

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

**RELIEF REQUESTED**

Claimants requested an unspecified amount of compensatory damages, plus rescissory damages, costs,

attorneys' fees and other relief as the Panel deemed necessary or appropriate.

Respondents requested that Claimants' claims be dismissed and that they be awarded attorneys' fees and costs.

### **OTHER ISSUES CONSIDERED AND DECIDED**

Respondent Global is not an NASD member firm, but having filed an executed Uniform Submission Agreement, and having answered the claim, is bound by the determination of the Panel on all issues submitted.

On or about August 10, 2004, the parties filed with NASD Dispute Resolution a notice of settlement and a proposed Stipulated Award for review and approval by the Panel.

No other issues were considered or decided by the Panel concerning entry of the Stipulated Award.

The parties have agreed that the Stipulated Award in this matter may be executed in counterpart copies or that a handwritten, signed Stipulated Award may be entered. The parties have further agreed that conformed copies of the Stipulated Award may be transmitted to the parties via facsimile or other means while the original(s) remain on file with NASD Dispute Resolution.

### **AWARD**

After considering the pleadings and the parties' request for the entry of a Stipulated Award, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. Claimants have entered into a settlement agreement with Respondents. All claims against Respondents are dismissed with prejudice.
2. The Panel recommends that all references to the above-captioned arbitration be expunged from Respondent George's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notices to Members 99-09 and 99-54, Respondent George must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.
3. The parties shall bear their own costs, expenses, and attorneys' fees incurred in connection with this proceeding.
4. All other claims in this proceeding brought by any party are denied and dismissed with prejudice.

### **FEES**

Pursuant to the NASD Code of Arbitration Procedure (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 = \$ 375.00

**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. Accordingly, Respondent ISI is a member firm and a party:

Member surcharge	= \$2,250.00
Pre-hearing process fee	= \$ 750.00
<u>Hearing process fee</u>	<u>= \$4,000.00</u>
Total Member Fees	= \$7,000.00

**Adjournment Fees**

No adjournments were requested in this matter.

**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 assessed 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 during this proceeding.

**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 @ \$1,200.00/session	= \$1,200.00
Pre-hearing conference: December 3, 2003 1 session	
<u>Total Forum Fees</u>	<u>= \$1,200.00</u>

Pursuant to the agreement of the parties, the Panel has assessed forum fees as follows:

\$600.00 to Claimants, jointly and severally  
\$600.00 to Respondents, jointly and severally

**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 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 during this proceeding.

**Fee Summary**

Claimants are jointly and severally liable for:

Initial Filing Fee	= \$ 375.00
Forum Fees	= \$ 600.00
Total Fees	= \$ 975.00
Less payments	= \$ 975.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondent ISI is solely liable for:

Member Fees	= \$7,000.00
Total Fees	= \$7,000.00
Less payments	= \$7,000.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondents ISI, Global and George are jointly and severally liable for:

Forum Fees	= \$ 600.00
Total Fees	= \$ 600.00
Less payments	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 600.00

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

**ARBITRATION PANEL**

Stanley Lampert, Esq.	-	Public Arbitrator, Presiding Chairperson
Ronald C. Mitchell	-	Public Arbitrator
Randall T. Stack	-	Non-Public Arbitrator

**Concurring Arbitrators' Signatures**

/s/  
Stanley Lampert, Esq.  
Public Arbitrator, Presiding Chairperson

September 1, 2004  
Signature Date

/s/  
\_\_\_\_\_  
Ronald C. Mitchell  
Public Arbitrator

August 29, 2004  
Signature Date

/s/  
\_\_\_\_\_  
Randall T. Stack  
Non-Public Arbitrator

August 26, 2004  
Signature Date

September 8, 2004  
\_\_\_\_\_  
Date of Service (For NASD Dispute Resolution office use only)

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Public Arbitrator, Presiding Chairperson

Sept 1, 2004.  
Signature Date

Ronald C. Mitchell

Ronald C. Mitchell  
Public Arbitrator

August 29, 2004  
Signature Date

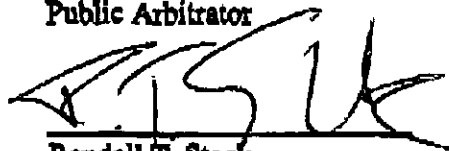
Randall T. Stack  
Non-Public Arbitrator

Signature Date

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

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**Arbitration No. 03-05117**  
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**Ronald C. Mitchell**  
**Public Arbitrator**



**Randall T. Stack**  
**Non-Public Arbitrator**

**Signature Date**



**Signature/Date**

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