

NASD DISPUTE RESOLUTION AWARD
NASD DISPUTE RESOLUTION

CASE: 03-05316

John M. Watson and Frankie Sharon Watson, Claimants v. USAllianz Securities, Inc. and Jon Patrick Bourg, Respondents.

ATTORNEYS:

For Claimants, John M. and Frankie Sharon Watson, ("Claimants"), appeared Herbert E. Pounds, San Antonio, TX.

Respondents, collectively known as "Respondents":

For Respondent, USAllianz Securities, Inc., ("USAllianz"), appeared Catherine A. McEnroe, Esq., Minneapolis, MN.

Respondent, Jon Patrick Bourg, ("Bourg"), appeared pro se, San Antonio, TX.

NATURE OF DISPUTE: Customer v. Member and Associated Person

DATE FILED: July 21, 2003

CASE SUMMARY: Claimants alleged that Respondents breached their contract with them, violated the Texas Deceptive Trade Practices Consumer Protection Act and the Texas Securities Act, recommended mutual funds that were unsuitable to their needs, and breached their fiduciary duty. Claimant further alleged that USAllianz failed to supervise their representative Bourg. Claimants maintained that due to Respondents' action, their joint American Funds account suffered financial losses.

Claim Data

Claim: \$24,900.00

Interest: Unspecified

Attorney Fees: \$8,750.00

Filing Fees: \$425.00

Award Data

Award: \$24,900.00

Interest: At the rate of 5% per annum from 11/6/2000 to date of payment of award.

Attorney Fees: \$8,750.00

Filing Fees: \$425.00

AWARD: The undersigned arbitrator has decided and determined in full and final resolution of the issues submitted for determination as follows: 1) The claims of Claimants against USAllianz Securities, Inc. are dismissed in their entirety. 2) Respondent Bourg is liable and shall pay to the Claimants \$24,900.00. 3) Respondent Bourg is liable and shall pay to the Claimants \$8,750.00 for attorney fees according to Claimants' request. 4) Respondent Bourg is liable and shall pay to the Claimants interest at the rate of 5% per annum from 11/6/2000 to date of payment of the award. 5) The \$425.00 filing fee previously deposited with NASD Dispute Resolution by the Claimants, shall be retained by NASD Dispute Resolution. 6) Respondent Bourg is liable and shall pay Claimants \$425.00 as reimbursement of the filing fee.

OTHER FEES: Pursuant to Rule 10333 of the Code, Respondent USAllianz Securities, Inc. has paid to NASD Dispute Resolution the \$425.00 Member Surcharge previously invoiced.


Page Two
Award 03-05316

Howard J. Siegel, J.D.

Sole Public Arbitrator

AFFIRMATION

I, Howard J. Siegel, J.D., do hereby affirm, upon my oath as arbitrator that I am the individual described herein who executed this instrument, which is my oath and award.


Howard J. Siegel, J.D.

11/24/03
Signature Date

December 19, 2003

Date of Service (For NASD-DR office use only)