

AWARD
NASD Dispute Resolution

In the Matter of the Arbitration Between

Claimants

Anthony Carlisi, Lucy J. Carlisi and Joseph Carlisi

and

Case Number: 03-05678
Hearing Site: Southfield, Michigan

Respondent

Banc One Securities Corporation

NATURE OF DISPUTE

Customers v. Member

REPRESENTATION OF PARTIES

Anthony Carlisi, Lucy J. Carlisi and Joseph Carlisi ("Claimants") were represented by Joel H. Kaufman, Esq., Farmington Hills, Michigan.

Banc One Securities Corporation ("Respondent") was represented by Elizabeth A. Jerdonek, Esq., and Kenneth A. Bravo, Esq., Ulmer & Berne LLP, Cleveland, Ohio.

CASE INFORMATION

The Statement of Claim was filed on or about July 31, 2003. The Submission Agreement of Anthony Carlisi, Lucy J. Carlisi and Joseph Carlisi was signed on or about July 31, 2003.

The Statement of Answer was filed by Banc One Securities Corporation on or about November 17, 2003.

CASE SUMMARY

Claimants asserted causes of action including the following: broker misconduct, unsuitability, breach of contract; negligence/misrepresentation; vicarious liability; violation of the Michigan Consumer Protection Act; breach of fiduciary duty; violations of federal and state securities laws; fraud; and common law fraud. The causes of action related to Claimants' allegations that Respondent recommended that Anthony Carlisi trade technology stocks on margin. The securities involved included Cisco Systems, Interdigital Communications, Internet Cap Group, APL Time Warner, Sun Microsystems and Oracle, as well as various Unit Investment Trusts.

Unless specifically admitted in its Answer, Respondent denied the allegations made in the Statement of Claim and asserted affirmative defenses including the following: Claimants fail to state a claim upon which relief can be granted; at all times, Claimants were advised of and assumed the risks of market fluctuations to the extent that any losses or diminution in value of Claimants' investments occurred, such losses were the result of unforeseen market fluctuations and were within the risks assumed.

RELIEF REQUESTED

Claimants requested an award of \$311,144.30 in compensatory damages, plus exemplary damages, interest, costs, attorneys' fees, rescission, and additional damages as allowed by the panel.

Respondent requested that the claims asserted against it be denied in their entirety and that it be awarded its costs, attorneys' fees, and forum fees.

OTHER ISSUES CONSIDERED & DECIDED

Banc One Securities Corporation did not file with the NASD Dispute Resolution a properly executed submission to arbitration but is required to submit to arbitration pursuant to Rule 10301 of the NASD Code of Arbitration Procedure (the "Code") and having answered the claim, appeared and testified at the hearing, is bound by the determination of the arbitration panel on all issues submitted.

The parties have agreed 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 NASD Dispute Resolution ("NASD").

AWARD

After considering the pleadings, the testimony, and the evidence presented at the hearing, the undersigned arbitrators have decided in full and final resolution of the issues submitted for determination as follows:

- 1.) Respondent, Banc One Securities Corporation, is liable for and shall pay to Claimants, Anthony Carlisi, Lucy Carlisi and Joseph Carlisi, the sum of \$125,000.00 in compensatory damages;
- 2.) Other than Forum Fees which are specified below, the parties shall each bear their own costs and expenses incurred in this matter;
- 3.) Any relief not specifically enumerated, including punitive damages and attorney fees, is hereby 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 = \$ 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 persons at the time of the events giving rise to the dispute. In this matter, the member firm is Banc One Securities Corporation.

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

Forum Fees and Assessments

The Arbitration Panel assesses forum fees for each hearing session conducted. A hearing 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 x \$1,125.00 = \$ 1,125.00
Pre-hearing conference: April 28, 2004 1 session

Four (4) Hearing sessions x \$1,125.00 = \$ 4,500.00
Hearing Dates: January 25, 2005 2 sessions
January 26, 2005 2 sessions

Total Forum Fees = \$ 5,625.00

The Arbitration Panel has assessed \$2,812.50 of the forum fees jointly and severally to Anthony Carlisi, Lucy J. Carlisi and Joseph Carlisi.

The Arbitration Panel has assessed \$2,812.50 of the forum fees to Banc One Securities Corporation.

Fee Summary

Claimants, Anthony Carlisi, Lucy J. Carlisi and Joseph Carlisi, are jointly and severally liable for:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$ 2,812.50
Total Fees	= \$ 3,112.50
Less payments	= \$ 1,425.00
Balance Due NASD Dispute Resolution	= \$ 1,687.50

Respondent, Banc One Securities Corporation, is liable for:

Member Fees	= \$ 5,200.00
Forum Fees	= \$ 2,812.50
Total Fees	= \$ 8,012.50
Less payments	= \$ 5,200.00
Balance Due NASD Dispute Resolution	= \$ 2,812.50

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

ARBITRATION PANEL

Kenneth F. Silver, Esq. - Public Arbitrator, Presiding Chair
Gerald Edward Patera - Public Arbitrator
Suzanne Slick - Non-Public Arbitrator

Concurring Arbitrators:

/s/ Kenneth F. Silver, Esq.
Kenneth F. Silver, Esq.
Public Arbitrator, Presiding Chair

01/28/05
Signature Date

/s/ Gerald Edward Patera
Gerald Edward Patera
Public Arbitrator

01/28/05
Signature Date

/s/ Suzanne Slick
Suzanne Slick
Non-Public Arbitrator

01/28/05
Signature Date

01/28/05
Date of Service (For NASD office use only)

NASD Dispute Resolution
Arbitration No. 03-05678
Award Page 4 of 4

Fee Summary

Claimants, Anthony Carlisi, Lucy J. Carlisi and Joseph Carlisi, are jointly and severally liable for:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$ 2,812.50
Total Fees	= \$ 3,112.50
Less payments	= \$ 1,425.00
Balance Due NASD Dispute Resolution	= \$ 1,687.50

Respondent, Banc One Securities Corporation, is liable for:

Member Fees	= \$ 5,200.00
Forum Fees	= \$ 2,812.50
Total Fees	= \$ 8,012.50
Less payments	= \$ 5,200.00
Balance Due NASD Dispute Resolution	= \$ 2,812.50

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

ARBITRATION PANEL

Kenneth F. Silver, Esq. - Public Arbitrator, Presiding Chair
Gerald Edward Patera - Public Arbitrator
Suzanne Slick - Non-Public Arbitrator

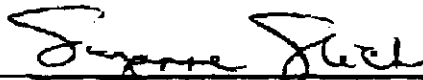
Concurring Arbitrators:

Kenneth F. Silver, Esq.
Public Arbitrator, Presiding Chair

Signature Date

Gerald Edward Patera
Public Arbitrator

Signature Date



Suzanne Slick
Non-Public Arbitrator

1-28-05

Signature Date

Date of Service (For NASD office use only)

NASD Dispute Resolution
Arbitration No. 03-05678
Award Page 4 of 4

Fee Summary

Claimants, Anthony Carlisi, Lucy J. Carlisi and Joseph Carlisi, are jointly and severally liable for:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$ 2,812.50
Total Fees	= \$ 3,112.50
Less payments	= \$ 1,425.00
Balance Due NASD Dispute Resolution	= \$ 1,687.50

Respondent, Banc One Securities Corporation, is liable for:

Member Fees	= \$ 5,200.00
Forum Fees	= \$ 2,812.50
Total Fees	= \$ 8,012.50
Less payments	= \$ 5,200.00
Balance Due NASD Dispute Resolution	= \$ 2,812.50

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

ARBITRATION PANEL

Kenneth F. Silver, Esq. - Public Arbitrator, Presiding Chair
Gerald Edward Patera - Public Arbitrator
Suzanne Slick - Non-Public Arbitrator

Concurring Arbitrators:


Kenneth F. Silver, Esq.
Public Arbitrator, Presiding Chair

1/28/05
Signature Date

Gerald Edward Patera
Public Arbitrator

Signature Date

Suzanne Slick
Non-Public Arbitrator

Signature Date

Date of Service (For NASD office use only)

NASD Dispute Resolution
Arbitration No. 03-05678
Award Page 4 of 4

Fee Summary

Claimants, Anthony Carlisi, Lucy J. Carlisi and Joseph Carlisi, are jointly and severally liable for:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$ 2,812.50
Total Fees	= \$ 3,112.50
Less payments	= \$ 1,425.00
Balance Due NASD Dispute Resolution	= \$ 1,687.50

Respondent, Banc One Securities Corporation, is liable for:

Member Fees	= \$ 5,200.00
Forum Fees	= \$ 2,812.50
Total Fees	= \$ 8,012.50
Less payments	= \$ 5,200.00
Balance Due NASD Dispute Resolution	= \$ 2,812.50

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

ARBITRATION PANEL

Kenneth F. Silver, Esq. - Public Arbitrator, Presiding Chair
Gerald Edward Patera - Public Arbitrator
Suzanne Slick - Non-Public Arbitrator

Concurring Arbitrators:

Kenneth F. Silver, Esq.
Public Arbitrator, Presiding Chair

Signature Date

Gerald Edward Patera
Public Arbitrator

Signature Date

Suzanne Slick
Non-Public Arbitrator

Signature Date

Date of Service (For NASD office use only)