

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Names of the Claimants

Macy Moret
Jennie Moret

Case Number: 03-05692

Name of the Respondent

Wachovia Securities, Inc.
for itself and as successor by
merger to First Union Brokerage
Services, Inc.

Hearing Site: Atlanta, Georgia

Nature of the Dispute: Customer vs. Member.

REPRESENTATION OF PARTIES

For Macy Moret and Jennie Moret, hereinafter collectively referred to as "Claimants":
James A. Nofi, Esq. and Jason R. Doss, Esq., Page Perry, LLC, Atlanta, Georgia.

For Wachovia Securities, Inc. for itself and as successor by merger to First Union
Brokerage Services, Inc. ("Wachovia"), hereinafter referred to as "Respondent": Todd
Ratner, Vice President/Counsel, Wachovia, Richmond, Virginia.

CASE INFORMATION

Statement of Claim filed on or about: July 31, 2003.

Amended Statement of Claim filed on or about: August 20, 2003.

Claimants signed the Uniform Submission Agreements: July 30, 2003.

Statement of Answer filed by Respondent on or about: October 16, 2003.

Respondent signed the Uniform Submission Agreement: October 16, 2003.

CASE SUMMARY

Claimants asserted the following causes of action: breach of fiduciary duty; common law fraud; constructive fraud; negligent misrepresentation; breach of contract (unsuitable trading, failure to supervise and negligence); violation of the Georgia Securities Act; and Wachovia's successor liability. The causes of action relate to Claimants' investments in the Hartford Putnam Capital Manager Annuity (Putnam Health Sciences Fund, Putnam Growth and Income Fund, Putnam New Opportunities Fund and the Putnam Growth Opportunities Fund) and the PFL Select Variable Annuity (AIM "VI Value" Fund and the MFS "Research" Fund) in their accounts.

Unless specifically admitted in its Answer, Respondent denied the allegations made in the Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

Claimants requested out-of-pocket or trading losses in excess of \$205,000.00; punitive damages; attorneys' fees and costs; pre-judgment interest at the statutory rate of 7%; and, post-judgment interest at the rate of 12%.

Respondents requested that the arbitration panel reject Claimants' Statement of Claim in its entirety and order that forum fees be borne by Claimants.

OTHER ISSUES CONSIDERED AND DECIDED

On or about September 22, 2004, the chairperson issued an order on Claimants' Motion to Compel Production of Documents and in connection therewith determined that an award of attorneys' fees would be appropriate. Thereafter, on or about October 13, 2004, the arbitration panel issued an order which awarded attorneys' fees to Claimants in the sum of \$1,800.00.

At the conclusion of Claimants' presentation of evidence, Respondent asserted a motion for judgment on the pleadings/to dismiss which was denied by the arbitration panel.

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

AWARD

After considering the pleadings, the testimony and evidence presented at the hearing, and the post-hearing submissions (if any), the undersigned arbitrators (the "Panel") have decided in full and final resolution of the issues submitted for determination as follows:

Respondent is liable and shall pay to Claimants the sum of \$140,000.00, pre-judgment interest specifically excluded.

Respondent is liable and shall pay to Claimants attorneys' in the sum of \$1,800.00 as specified above.

Any and all claims for relief not specifically addressed herein, including Claimants' request for punitive damages, are denied.

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 = \$300.00

Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firm(s) that employed the associated person(s) at the time of the event(s) giving rise to the dispute. In this matter, the member firm is a party.

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

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

No adjournment fees were incurred 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 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 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: September 20, 2004 1 session	
One (1) Pre-hearing session with the Panel @ \$1,125.00	= \$1,125.00
Pre-hearing conference: January 28, 2004 1 session	
Six (6) Hearing sessions @ \$1,125.00	= \$6,750.00
Hearing Dates: October 11, 2004 2 sessions	
October 12, 2004 2 sessions	
October 13, 2004 2 sessions	
Total Forum Fees	= \$8,325.00

The Panel has assessed the total forum fees of \$8,325.00 to Respondent.

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

Claimants are jointly and severally liable for:

Initial Filing Fee	= \$300.00
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Total Fees	= \$300.00
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Less payments	= \$300.00
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Balance Due NASD Dispute Resolution	= \$0.00
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Respondent is solely liable for:

Member Fees	= \$5,200.00
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Forum Fees	= \$8,325.00
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Total Fees	= \$13,525.00
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Less payments	= \$5,200.00
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Balance Due NASD Dispute Resolution	= \$8,325.00
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All balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

Gia B. Compton, JD	-	Public Arbitrator, Presiding Chair
Kenneth R. Woods	-	Public Arbitrator
M. Bruce Adelberg	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

_____/s/_____
Gia B. Compton, JD
Public Arbitrator, Presiding Chair

Signature Date

_____/s/_____
Kenneth R. Woods
Public Arbitrator

Signature Date

_____/s/_____
M. Bruce Adelberg
Non-Public Arbitrator

Signature Date

October 22, 2004

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

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ARBITRATION PANEL

Gia B. Compton, JD

Kenneth R. Woods

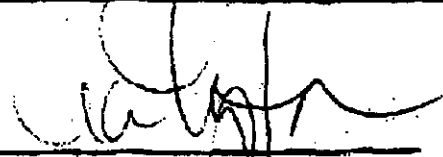
M. Bruce Adelberg

- Public Arbitrator, Presiding Chair

- Public Arbitrator

- Non-Public Arbitrator

Concurring Arbitrators' Signatures


 Gia B. Compton, JD
 Public Arbitrator, Presiding Chair


 Signature Date

FROM :

OCT. 21. 2004 3:58PM FAX NO. : 8649445126
NASD DISPUTE RESOLUTION

Oct. 21 2004 05:09PM P1
NO. 750 P. 6/6

NASD Dispute Resolution
Arbitration No. 03-05692
Award Page 5

Kenneth R. Woods
Public Arbitrator

M. Bruce Adelberg
M. Bruce Adelberg
Non-Public Arbitrator

Signature Date

10/21/04
Signature Date

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

OCT.20.2004 10:23AM

NASD DISPUTE RESOLUTION

NO.722. P.6

NASD Dispute Resolution
Arbitration No. 03-05692

Award Page 5



Kenneth R. Woods
Public Arbitrator

Signature Date

M. Bruce Adelberg
Non-Public Arbitrator

Signature Date

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