

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Lewis and Clark College, Claimant v. Blackwell Donaldson & Company, Stephen P. Persad and Joseph M. Blackwell, Respondents

Case Number: 03-09096

Hearing Site: Portland, Oregon

Nature of the Dispute: Customer v. Member and Associated Persons

REPRESENTATION OF PARTIES

For Claimant:

Lisa A. Kaner, Esq.
David B. Markowitz, Esq.
Markowitz Herbold Glade &
Mehlhaf, P.C
Portland, Oregon

For Respondents:

Mark McCulloch, Esq.
Powers, McCulloch & Bennett, LLP
Portland, Oregon

CASE INFORMATION

Statement of Claim filed: December 22, 2003

Claimant's Uniform Submission Agreement signed: December 30, 2003

Joint Statement of Answer filed by Respondents: February 25, 2004

Respondent Joseph M. Blackwell's Uniform Submission Agreement signed: Undated

Respondent Blackwell Donaldson & Company's Uniform Submission Agreement signed:
Undated

Respondent Stephen P. Persad's Uniform Submission Agreement signed: February 27, 2004

CASE SUMMARY

In its Statement of Claim, Claimant alleged violation of Section 10(b) of the Securities and Exchange Act, violation of the 1934 Act §20(a), violation of Oregon Securities Law ORS § 59.115(1)(a) and (b), breach of fiduciary duty, negligence, common law fraud, and negligent misrepresentation. Claimant's allegations involved investments in Environmental Oil Processing Technology Corporation stock.

Respondents denied the allegations of wrongdoing set forth in the Claimant's Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

Claimant requested \$10,500,000.00 in compensatory damages, unspecified punitive damages, pre-judgment interest at a rate of 9%, and costs, including attorney's fees.

Respondents requested dismissal of the Claimant's Statement of Claim in its entirety, and costs, including attorney's fees.

OTHER ISSUES CONSIDERED AND DECIDED

The parties agreed that the Award in this matter may be executed in counterpart copies or that a handwritten, signed Award may be entered.

AWARD

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

- 1) Respondents are jointly and severally liable to and shall pay Claimant compensatory damages in the sum of \$1,460,000.00.
- 2) Claimant's claim for punitive damages is denied.
- 3) The parties shall bear their respective costs, including attorney's fees.
- 4) All other relief requested and not expressly granted is denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution received or will collect the non-refundable filing fees for each claim as follows:

Initial claim filing fee	= \$ 600.00
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Member Fees

Member fees are assessed to each member firm that is either a party in the matter or an employer of a respondent associated person at the time of the events that gave rise to the dispute, claim, or controversy. Accordingly, the member firm Blackwell Donaldson & Company is a party and the following fees are assessed:

Member Surcharge	= \$ 3,750.00
Pre-Hearing Process Fee	= \$ 750.00
Hearing Process Fee	= \$ 5,500.00
Total Member Fees	= \$10,000.00

Forum Fees and Assessments

The Panel assessed a forum fee for each pre-hearing conference or hearing session conducted. A pre-hearing conference and hearing session is any meeting between the parties and the Chair or the parties and the Panel. The following fees are assessed:

(1) Pre-hearing conference session with the Panel @ \$1,200.00/session	= \$ 1,200.00
Pre-hearing conference: May 4, 2004	1 session

(10) Hearing sessions @ \$1,200.00/session	= \$12,000.00
Hearings: December 6, 2004	2 sessions
December 7, 2004	2 sessions
December 8, 2004	2 sessions
December 9, 2004	2 sessions
December 10, 2004	2 sessions

Total Forum Fees	= \$13,200.00
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1. The Panel assessed \$6,600.00 of the forum fees to Claimant.
2. The Panel assessed \$6,600.00 of the forum fees jointly and severally to Respondents.

Fee Summary

1. Claimant is charged with the following fees and costs:

Initial Filing Fee	= \$ 600.00
<u>Forum Fees</u>	= \$ 6,600.00
Total Fees	= \$ 7,200.00
<u>Less payments</u>	= \$(1,800.00)
Balance Due NASD Dispute Resolution	= \$ 5,400.00

2. Respondent Blackwell Donaldson & Company is charged with the following fees and costs:

Member Fees	= \$ 10,000.00
<u>Less payments</u>	= \$(10,000.00)
Balance Due NASD Dispute Resolution	= \$ 0.00

3. Respondents are charged jointly and severally with the following fees and costs:

<u>Forum Fees</u>	= \$ 6,600.00
Balance Due NASD Dispute Resolution	= \$ 6,600.00

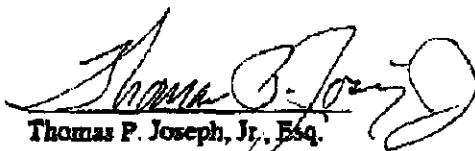
All balances are payable to NASD Dispute Resolution and are due upon the receipt of the Award pursuant to Rule 10330(g) of the Code.

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ARBITRATION PANEL

Thomas P. Joseph, Jr., Esq.	-	Public Arbitrator, Presiding Chair
Clyde Fahlman	-	Public Arbitrator
William Ben Utley, IV, CFP	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures


Thomas P. Joseph, Jr., Esq.
Chair, Public Arbitrator

12/16/04
Signature Date


Clyde Fahlman
Public Arbitrator

Signature Date

William Ben Utley, IV, CFP
Non-Public Arbitrator

Signature Date

12/16/04
Date of Service



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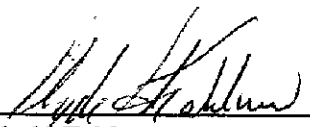
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Signature Date

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