

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

WM Financial Services, Inc. (Claimant) v. Fiserv Securities, Inc. (Respondent)

Case Number: 03-09216

Hearing Site: New York, New York

Nature of the Dispute: Member vs. Member.

REPRESENTATION OF PARTIES

Claimant WM Financial Services, Inc. ("WMFS") hereinafter referred to as "Claimant": Robert J.A. Zito, Esq., Schiff Hardin & Waite, New York, NY.

Respondent Fiserv Securities, Inc. ("Fiserv") hereinafter referred to as "Respondent": Michael A. Iaconelli, Esq., Klehr, Harrison, Harvey, Branzburg & Ellers, Philadelphia, PA.

CASE INFORMATION

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

Reply to Counterclaim filed by Claimant on or about: February 19, 2004.

Claimant signed the Uniform Submission Agreement: December 29, 2003.

Statement of Answer with Counterclaim filed by Respondent on or about: February 9, 2004.

Respondent signed the Uniform Submission Agreement: February 9, 2004.

CASE SUMMARY

Claimant asserted the following causes of action: early termination of agreement caused Claimant to incur costs. Unless specifically admitted in its Reply to Counterclaim, Claimant denied the allegations asserted in the Counterclaim.

Unless specifically admitted in its Answer, Respondent denied the allegations made in the Statement of Claim and asserted various affirmative defenses. In its Counterclaim, Respondent asserted the following causes of action: termination of clearing agreement; and failure to pay fees and penalties for termination and conversion related to the termination of the clearing agreement.

RELIEF REQUESTED

Claimant requested compensatory damages in the amount of \$600,000.00 and costs of this

arbitration. In its Reply to the Counterclaim, Claimant requested compensatory damages in the amount of \$600,000.00 and costs of this arbitration.

Respondent requested all conversion fees for Transition Assistance at prices established by the Clearing Agreement and invoiced accordingly by Fiserv; compensatory damages in the amount of \$7,200,000.00 for all IRA Termination Fees at the rate of \$30.00 per IRA account; compensatory damages in the amount of \$250,000.00 for the Termination Penalty; compensatory damages in the amount of \$139,089.38 for repayment of costs relating to CSS System Conversion; attorneys' fees and costs; and such other and further relief as the Arbitrators deem just.

OTHER ISSUES CONSIDERED AND DECIDED

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.

AWARD

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

1. The claims of Claimant are denied in their entirety.
2. Claimant WMFS is liable for and shall pay to Respondent Fiserv compensatory damages in the amount of \$181,012.00 regarding the claim on Security Movement Fees, plus interest at the rate of 9% per annum accruing 30 days from the date of service of the award through the date of payment of the award.
3. Claimant WMFS is liable for and shall pay to Respondent Fiserv compensatory damages in the amount of \$7,992,300.00 regarding the IRA Termination Fees, plus interest at the rate of 9% per annum accruing 30 days from the date of service of the award through the date of payment of the award.
4. Any and all relief not specifically addressed herein is denied.

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	= \$1,250.00
Counterclaim filing fee	= \$2,500.00

Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firms that employed the associated persons at the time of the events giving rise to the dispute. Accordingly, WM Financial Services, Inc. is a party.

Member surcharge	= \$2,250.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$5,500.00

Member fees are assessed to each member firm that is a party in these proceedings or to the member firms that employed the associated persons at the time of the events giving rise to the dispute. Accordingly, Fiserv Securities, Inc. is a party.

Member surcharge	= \$2,250.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$5,500.00

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:

Two (2) Pre-hearing sessions with Panel @ \$1,200.00 = \$ 2,400.00

Pre-hearing conferences: May 28, 2004 1 session
August 30, 2004 1 session

Sixteen (16) Hearing sessions @ \$1,200.00 = \$19,200.00

Hearing Dates: October 4, 2004 2 sessions
October 5, 2004 2 sessions
October 6, 2004 2 sessions
October 26, 2004 2 sessions
October 27, 2004 2 sessions
November 30, 2004 2 sessions
December 1, 2004 2 sessions
December 2, 2004 2 sessions

Total Forum Fees = \$21,600.00

1. The Panel has assessed \$10,800.00 of the forum fees against Claimant.
2. The Panel has assessed \$10,800.00 of the forum fees against Respondent.

Fee Summary

1. Claimant is solely liable for:

Initial Filing Fee	= \$ 1,250.00
Member Fees	= \$ 8,500.00
<u>Forum Fees</u>	<u>= \$10,800.00</u>
Total Fees	= \$20,550.00
<u>Less payments</u>	<u>= \$ 9,450.00</u>

Balance Due NASD Dispute Resolution = \$11,100.00

2. *Respondent is solely liable for:*

Counterclaim Filing Fee	= \$ 2,500.00
Member Fees	= \$ 8,500.00
Forum Fees	= \$10,800.00
<u>Total Fees</u>	<u>= \$21,800.00</u>
<u>Less payments</u>	<u>= \$ 7,000.00</u>
Balance Due NASD Dispute Resolution	= \$14,800.00

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

ARBITRATION PANEL

John J. Bucko	-	Non-Public Arbitrator, Presiding Chairperson
Theodor Brown	-	Non-Public Arbitrator
W. Jeffrey Weinlandt	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

I, the undersigned arbitrator, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument which is my award.



John J. Bucko
Non-Public Arbitrator, Presiding Chairperson

12/15/04
Signature Date

Theodor Brown
Non-Public Arbitrator

Signature Date

W. Jeffrey Weinlandt
Non-Public Arbitrator

Signature Date

December 23, 2004

Date of Service (For NASD Dispute Resolution use only)

ARBITRATION PANEL

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John J. Bucko
Non-Public Arbitrator, Presiding Chairperson

Signature Date



Theodor Brown
Non-Public Arbitrator

Signature Date

W. Jeffrey Weinlandt
Non-Public Arbitrator

Signature Date

December 23, 2004

Date of Service (For NASD Dispute Resolution use only)

ARBITRATION PANEL

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John J. Bucko
Non-Public Arbitrator, Presiding Chairperson

Signature Date

Theodor Brown
Non-Public Arbitrator

Signature Date

W. Jeffrey Weinland
W. Jeffrey Weinland
Non-Public Arbitrator

Dec. 10, 2004
Signature Date

December 23, 2004

Date of Service (For NASD Dispute Resolution use only)