

Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Filomena C. Peloro (Claimant) v. R. Seelaus Co., Inc. and Kevin J. McLaughlin (Respondents)

Case Number: 04-00930

Hearing Site: Newark, New Jersey

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

REPRESENTATION OF PARTIES

Claimant Filomena C. Peloro hereinafter referred to as ("Claimant"): Richard W. Vallario, Esq., Richard W. Vallario, Esq., Attorney at Law, Nutley, N.J.

Respondents R. Seelaus & Co., Inc., ("Seelaus") and Kevin J. McLaughlin ("McLaughlin") hereinafter collectively referred to as ("Respondents"): Morgan W. Bentley, Esq., Attorney at Law, Newark, N.J.

CASE INFORMATION

Statement of Claim filed on or about: February 10, 2004.

Claimant signed the Uniform Submission Agreement: February 4, 2004.

Joint Statement of Answer filed by Respondents on or about: April 6, 2004.

Seelaus signed the Uniform Submission Agreement: March 26, 2004.

McLaughlin signed the Uniform Submission Agreement: March 26, 2004.

CASE SUMMARY

Claimant asserted the following causes of action: fraud, negligence, misrepresentation, unsuitability, lack of due diligence, lack of supervision, non-disclosures, omission of facts, and breach of fiduciary duty. The causes of action relate to unspecified municipal bonds and equity unit trusts.

Unless specifically admitted in their Answer, Respondents denied the allegations of wrongdoing set forth in the Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

Claimant requested compensatory damages in the amount of \$478,000.00; punitive damages in the amount of \$500,000.00, together with costs and attorneys' fees.

Respondents requested dismissal of the Statement of Claim in its entirety and an assessment of

forum fees against Claimant.

OTHER ISSUES CONSIDERED AND DECIDED

On or about August 29, 2005, NASD Dispute Resolution was notified that the parties settled this matter and requested a Stipulated Award.

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

The parties entered into an agreement to present to the Panel a Stipulated Award. Now, in lieu of a hearing and upon motion of both parties for an entry of an award, the written stipulation thereto, the Panel grants the motion and enters this award granting the following relief:

1. The Panel recommends the expungement of all reference to the above captioned arbitration from Kevin J. McLaughlin's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notices to Members 99-09 and 99-54, Kevin J. McLaughlin must obtain confirmation from a court of competent jurisdiction before CRD will execute the expungement directive.
2. Any and all relief not specifically addressed herein, including punitive damages, 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 | = \$ 375.00 |
|--------------------------|-------------|

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 person at the time of the events giving rise to the dispute. In this matter, the member firm R. Seelaus & Co., Inc. is a party.

| | |
|-------------------------|---------------|
| Member Surcharge | = \$ 2,250.00 |
| Pre-Hearing Process Fee | = \$ 750.00 |
| Hearing Process Fee | = \$ 4,000.00 |

Adjournment Fees

The following adjournment fees are assessed:

February 2, 3 & 4, 2005 adjournment requested by Claimant

Waived

Forum Fees and Assessments

The Panel assesses forum fees for each hearing session conducted. A hearing 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. Forum fees associated with these proceedings are:

| | |
|--|----------------------|
| One (1) Pre-hearing conference session with the Panel @ \$1,125.00/session | = \$ 1,125.00 |
| Pre-hearing conference: June 23, 2004 1 session | |
| Total Forum Fees | = \$ 1,125.00 |

1. The Panel has assessed \$375.00 of the forum fees to Claimant.
2. The Panel has assessed \$375.00 of the forum fees to Respondent Seelaus.
3. The Panel has assessed \$375.00 of the forum fees to Respondent McLaughlin.

Fee Summary

1. Claimant is solely liable for:

| | |
|--|----------------------|
| Initial Filing Fee | = \$ 375.00 |
| Forum Fees | = \$ 375.00 |
| Total Fees | = \$ 750.00 |
| <u>Less payments</u> | <u>= \$ 1,575.00</u> |
| Balance Due NASD Dispute Resolution | = \$ 0.00 |

Pursuant to Rule 10332(f) of the Code of Arbitration Procedure, NASD is retaining the total amount of the hearing session deposited by the Claimants because this office was notified by the parties that they settled or withdrew this matter within eight business days of the first scheduled hearing session.

2. Respondent Seelaus is solely liable for:

| | |
|--|----------------------|
| Member Fee | = \$ 7,000.00 |
| Forum Fee | = \$ 375.00 |
| Total Fees | = \$ 7,375.00 |
| <u>Less payments</u> | <u>= \$ 7,000.00</u> |
| Balance Due NASD Dispute Resolution | = \$ 375.00 |

3. Respondent McLaughlin is solely liable for:

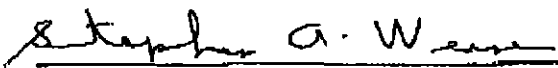
| | |
|--|--------------------|
| Forum Fees | = \$ 375.00 |
| Total Fees | = \$ 375.00 |
| <u>Less payments</u> | <u>= \$ 0.00</u> |
| Balance Due NASD Dispute Resolution | = \$ 375.00 |

All balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to Rule 1033(g) of the Code.

ARBITRATION PANEL

| | | |
|-----------------------------|---|------------------------------------|
| Stephen A. Weiner, Esq. | - | Public Arbitrator, Presiding Chair |
| Russell Stine Heckler, Esq. | - | Public Arbitrator |
| Rick F. Suppa | - | Non-Public Arbitrator |

Concurring Arbitrators' Signatures



Stephen A. Weiner, Esq.
Public Arbitrator, Presiding Chair

3 | 28 | 06
Signature Date

Russell Stine Heckler, Esq.
Public Arbitrator

Signature Date

Dissenting Arbitrator's Signature

Rick F. Suppa
Non-Public Arbitrator

Signature Date

March 31, 2006
Date of Service (For NASD office use only)

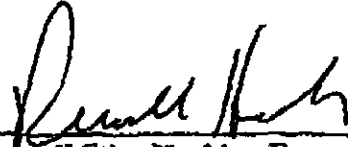
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Public Arbitrator, Presiding Chair

Signature Date



Russell Stine Heckler, Esq.
Public Arbitrator

3/7/06

Signature Date

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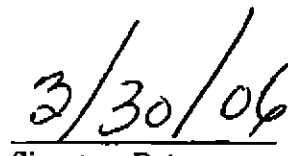
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