

Award
NASD Dispute Resolution

COPY

In the Matter of the Arbitration Between:

Patricia Schulze, Claimant v. Michael E. Long, Respondent

Case Number: 04-01799

Hearing Site: San Francisco, California

Nature of the Dispute: Customer vs. Associated Person

REPRESENTATION OF PARTIES

For Claimant:

Patricia Schulze
Santa Rosa, California

For Respondent:

Jeffrey S. Salisbury, Esq.
Law Office of Jeffrey S. Salisbury
Eugene, Oregon

CASE INFORMATION

Statement of Claim filed: March 12, 2004

Claimant's Uniform Submission Agreement signed: March 12, 2004

Statement of Answer filed by Respondent Michael E. Long: May 6, 2004

Respondent Michael E. Long's Uniform Submission Agreement signed: April 26, 2004

CASE SUMMARY

Claimant alleged that she filed the above-referenced dispute because of the losses she sustained in her variable annuity, issued by Jackson National Life Insurance Company. Claimant further alleged that she suffered losses because of Respondent's breach of fiduciary duty and negligence in his handling of Claimant's variable annuity.

Respondent denied Claimant's allegations of wrongdoing and denied any liability to Claimant.

RELIEF REQUESTED

Claimant requested damages in the amount of \$25,000.00.

Respondent requested:

1. That the Panel deny Claimant's claim in full;
2. Costs; and
3. That the Panel recommend that Mr. Long's record be expunged of this matter.

OTHER ISSUES CONSIDERED AND DECIDED

On April 19, 2004, Claimant signed a Waiver Agreement expressly waiving any and all rights and benefits under California Civil Code Section 1542 and the California Ethical Standards for Neutral Arbitrators.

Pursuant to the Code of Arbitration Procedure IM-10100, the waiver of the Claimant shall constitute and operate as a waiver for all member firms and associated persons (including terminated or otherwise inactive member firms or associated persons) against whom the Claim has been filed.

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) All claims by Claimant are dismissed.
- 2) The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Michael E. Long's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 99-09 and 99-54, Respondent Michael E. Long must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.
- 3) Each party shall bear its own costs, including attorney's fees.
- 4) All other relief not expressly granted is denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

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

Initial claim filing fee	= \$125.00
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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, Investment Architects, Inc. employed Respondent Michael E. Long at the time of the events that gave rise to the dispute in this matter and the following fees are assessed:

Member Surcharge = \$425.00

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/Panel. The following fees are assessed:

(2) Pre-hearing conference sessions with a single arbitrator @ \$450.00/session = \$900.00

Pre-hearing conferences: August 19, 2004 1 session
 August 30, 2004 1 session

(2) Hearing sessions @ \$450.00/session = \$900.00

Hearing: October 8, 2004 2 sessions

Total Forum Fees = \$1,800.00

The Panel assessed \$900.00 in forum fees to Claimant.

The Panel assessed \$900.00 in forum fees to Respondent.

Fee Summary

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

Initial Filing Fee	= \$ 125.00
<u>Forum Fees</u>	<u>= \$ 900.00</u>
Total Fees	= \$ 1,025.00
<u>Less Payments</u>	<u>= \$(575.00)</u>
Balance Due NASD-DR	= \$ 450.00

2. Investment Architects, Inc. is charged with the following fees and costs:

Member Fees	= \$ 425.00
<u>Less Payments</u>	<u>= \$(425.00)</u>
Balance Due NASD-DR	= \$ 0.00

3. Respondent is charged with the following fees and costs:

Forum Fees	= \$ 900.00
Less Payments	= \$(0.00)
Balance Due NASD-DR	= \$ 900.00

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

ARBITRATION PANEL

Helen Marinak Blohm, Esq.

- Public Arbitrator, Presiding Chair

Presiding Arbitrator's Signature

Helen M. Blohm

Helen Marinak Blohm, Esq.
Chair, Public Arbitrator

10/13/04
Signature Date

10/15/04
Date of Service