

**Award**  
**NASD Dispute Resolution**

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In the Matter of the Arbitration Between:

Michael B. Woodward and Secure Tomorrows, Inc., Claimants v. Steve F. Haug, Bartholomew J. Brady-Ciampa and Metropolitan Investment Securities, Inc., Respondents

Bartholomew J. Brady-Ciampa Counter-Claimant v. Michael B. Woodward and Secure Tomorrows, Inc. Counter-Respondent

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Case Number: 04-01814

Hearing Site: Portland, Oregon

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

**REPRESENTATION OF PARTIES**

For Claimants:

Justine Fischer, Esq.  
Law Offices of Justine Fischer  
Portland, Oregon

For Respondent Steve Haug:

Steve Haug  
In Pro Se  
Vancouver, Washington

For Respondent/Counterclaimant  
Bartholomew J. Brady-Ciampa  
(hereinafter Respondent Brady-Ciampa):

Daniel H. Skerritt, Esq.  
Tonkon Torp LLP  
Portland, Oregon

For Respondent Metropolitan Investment  
Securities, Inc.:

Karen Arseneault  
Metropolitan Investment  
Securities, Inc.  
Spokane, Washington

### **CASE INFORMATION**

Statement of Claim filed: March 15, 2004

Claimants' Joint Uniform Submission Agreement signed: February 23, 2004

Statement of Answer filed by Respondent Steve F. Haug: June 2, 2004

Respondent Steve F. Haug's Uniform Submission Agreement signed: June 2, 2004

Statement of Answer, Motion to Dismiss and Counterclaim filed by Respondent Bartholomew J. Brady-Ciampa: May 21, 2004

Respondent Bartholomew J. Brady-Ciampa's Uniform Submission Agreement signed:  
May 20, 2004

### **CASE SUMMARY**

In their Statement of Claim, Claimants alleged unsuitability, misrepresentations, and omissions involving the purchase of Series E-7 Preferred stock of Metropolitan Mortgage on January 31, 2002, August 2002, and in March 2003.

Respondent Steve F. Haug and Respondent Brady-Ciampa denied the allegations of wrongdoing set forth in the Claimants' Statement of Claim and asserted various affirmative defenses.

### **RELIEF REQUESTED**

Claimants requested compensatory damages in the sum of \$305,000.00, pre- and post-judgment interest at a rate of 8% per annum, less any dividend income and costs, including attorney's fees.

Respondent Steve F. Haug and Respondent Brady-Ciampa requested dismissal of the Claimants' Statement of Claim in its entirety, and an award for costs, including attorney's fees.

In his Counterclaim, Respondent Brady-Ciampa requested sanctions in an amount sufficient to cover all of his costs, fees, and attorney's fees.

### **OTHER ISSUES CONSIDERED AND DECIDED**

On April 12, 2004, NASD Dispute Resolution received notice that Respondent Metropolitan Investment Services, Inc. filed Chapter 7 Bankruptcy Proceedings. Accordingly, this matter is stayed as to Respondent Metropolitan Investment Services, Inc.

At the hearing, Claimants and Respondent Steve F. Haug moved the Panel to exclude certain evidence. After due deliberation, the Panel denied the Motion.

At the hearing, Respondent Brady-Ciampa moved the Panel to dismiss Claimants' case based on Claimants' opening statement. Respondent Brady-Ciampa also moved the Panel to admit documentary evidence which had not been identified nor exchanged prior to the hearing. After due deliberation, the Panel denied the motions.

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) Claimants' claims are denied in their entirety and dismissed with prejudice.
- 2) Respondent Steve Haug's request that Claimants be required to bear all expenses at this proceeding, including, but not limited to, Mr. Haug's reasonable attorney fees, NASD and other costs, is denied.
- 3) Respondent Brady-Ciampa's Counterclaim for fees and sanctions is denied.
- 4) The parties shall bear their respective costs, including attorney's fees.
- 5) 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	= \$ 300.00
Respondent Brady-Ciampa's Counterclaim filing fee	= \$ 250.00

**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 @ \$ 1,125.00/session	= \$1,125.00
Pre-hearing conference: July 22, 2004	1 session
(4) Hearing sessions @ \$1,125.00/session	= \$ 4,500.00
Hearings: January 4, 2005	2 sessions
January 5, 2005	2 sessions

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<b>Total Forum Fees</b>	<b>= \$ 5,625.00</b>
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1. The Panel assessed \$2,812.50 of the forum fees jointly and severally to Claimants.
2. The Panel assessed \$2,109.38 of the forum fees to Respondent Steve F. Haug.
3. The Panel assessed \$703.12 of the forum fees to Respondent Brady-Ciampa.

**Fee Summary**

1. Claimants are charged jointly and severally with the following fees and costs:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$ 2,812.50
Total Fees	= \$ 3,112.50
Less payments	= \$(1,425.00)
<b>Balance Due NASD Dispute Resolution</b>	<b>= \$ 1,687.50</b>

2. Respondent Brady-Ciampa is charged with the following fees and costs:

Counterclaim Filing Fee	= \$ 250.00
Forum Fees	= \$ 703.12
Total Fees	= \$ 953.12
Less payments	= \$(1,250.00)
<b>Refund Due Respondent Brady Ciampa</b>	<b>= \$ 296.88</b>

3. Respondents Steve F. Haug is charged with the following fees and costs:

Forum Fees	= \$ 2,109.38
<b>Balance Due NASD Dispute Resolution</b>	<b>= \$ 2,109.38</b>

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 No. 04 - 01814  
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**ARBITRATION PANEL**

Kim T. Buckley, Esq.  
James F. Zortter, Esq.  
Gary F. Purpura

Public Arbitrator, Presiding Chair  
Public Arbitrator  
Non-Public Arbitrator

**Concurring Arbitrators' Signatures**

  
\_\_\_\_\_  
Kim T. Buckley, Esq.  
Chair, Public Arbitrator

1/18/05  
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Signature Date

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James F. Zortter, Esq.  
Public Arbitrator

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Signature Date

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Gary F. Purpura  
Non-Public Arbitrator

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Signature Date

1/19/05  
\_\_\_\_\_  
Date of Service

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Arbitration No. 04 - 01814  
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James F. Zotter, Esq.	-	Public Arbitrator
Gary F. Purpura	-	Non-Public Arbitrator

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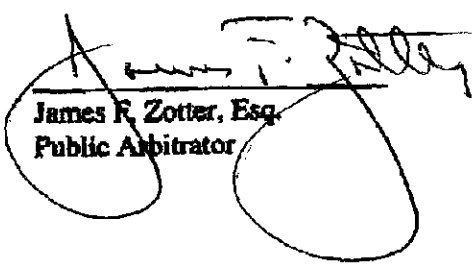
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Non-Public Arbitrator

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