

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Wachovia Securities, LLC (Claimant) v. Douglas Charles Ellwood (Respondent)

Case Number: 04-03010

Hearing Site: Columbus, Ohio

Nature of the Dispute: Member vs. Associated Person.

REPRESENTATION OF PARTIES

Claimant Wachovia Securities, LLC ("Wachovia") hereinafter referred to as "Claimant": Robert Scremin, Esq., previously Diane C. Fischer, Esq., Kane & Fischer, Ltd., Chicago, IL.

Respondent Douglas Charles Ellwood ("Ellwood") hereinafter referred to as "Respondent" did not make an appearance in this matter.

CASE INFORMATION

Statement of Claim filed on or about: April 22, 2004.

Claimant signed the Uniform Submission Agreement: April 14, 2004.

Respondent did not file a Statement of Answer or sign the Uniform Submission Agreement.

CASE SUMMARY

Claimant asserted the following causes of action: breach of Promissory Note dated August 19, 1998; breach of Promissory Note dated November 24, 1999; and failure to repay commission deficit.

RELIEF REQUESTED

Claimant requested the principal balance due and owing under Note 1 in the amount of \$38,181.10; interest at the contract rate of 6% in the amount of \$131.88; interest from the date of default to the date of payment; the principal balance due and owing under Note 2 in the amount of \$18,934.70; interest at 6% from October 31, 2001 to the date of payment; repayment of commission overdraw in the amount of \$7,757.61; interest at the statutory rate from October 31, 2001 through date of payment; costs, including attorneys' fees as agreed to under the terms of Note 1 and Note 2; and any other relief the Arbitrators deem just and equitable.

OTHER ISSUES CONSIDERED AND DECIDED

Upon review of the file and the representations made on behalf of the Claimant, the undersigned arbitrators (the "Panel") determined that Respondent has been properly served with the Statement of Claim and received due notice of the hearing, and that arbitration of the matter would proceed without said Respondent present, in accordance with the NASD Code of Arbitration Procedure (the "Code").

Respondent did not file with NASD Dispute Resolution a properly executed Uniform Submission Agreement but is required to submit to arbitration pursuant to the Code and is bound by the determination of the Panel on all issues submitted.

A hearing was held in this matter, by telephone, on October 19, 2004, The Respondent did not participate, and efforts to contact him regarding participation were unsuccessful. In accordance with the *Arbitrators' Initial Pre-Hearing Order* dated September 8, 2004, the Panel proceeded to hear Claimant's evidence and determine the matter. The Panel determined that Respondent has remained in default of his obligation to proceed in arbitration, as previously determined in the Initial Pre-Hearing Order.

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. Respondent is liable for and shall pay to Claimant damages in the amount of \$88,695.69, which includes interest to October 19, 2004, attorneys' fees in the amount of \$9,310.50, awarded in accordance with the contractual terms of the promissory notes, and costs in the amount of \$3,790.02, under those same contractual terms.
2. 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 = \$1,000.00

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. Accordingly, Wachovia Securities, LLC is a party.

Member surcharge = \$1,100.00

Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$1,700.00

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:

One (1) Pre-hearing session with Panel @ \$	= \$ 750.00
Pre-hearing conference: September 7, 2004 1 session	

One (1) Hearing session @ \$750.00	= \$ 750.00
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Hearing Date: October 19, 2004 1 session	
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Total Forum Fees	= \$1,500.00
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1. The Panel has assessed \$1,500.00 of the forum fees against Respondent.

Fee Summary

1. Claimant is solely liable for:

Initial Filing Fee	= \$1,000.00
Member Fees	= \$3,550.00
Total Fees	= \$4,550.00
Less payments	= \$4,350.00
Balance Due NASD Dispute Resolution	= \$ 200.00

2. Respondent is solely liable for:

Forum Fees	= \$1,500.00
Total Fees	= \$1,500.00
Less payments	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$1,500.00

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

ARBITRATION PANEL

Robert Rapp, Esq.	-	Non-Public Arbitrator, Presiding Chairperson
Robert P. Weisberger	-	Non-Public Arbitrator
Mary Ten Eyck Taylor, J.D.	-	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.

Robert Rapp, Esq.
Non-Public Arbitrator, Presiding Chairperson

Signature Date

Robert P. Weisberger
Non-Public Arbitrator

Signature Date

Mary Ten Eyck Taylor, J.D.
Non-Public Arbitrator

Signature Date

Date of Service (For NASD Dispute Resolution use only)

ARBITRATION PANEL

Robert Rapp, Esq.	-	Non-Public Arbitrator, Presiding Chairperson
Robert P. Weisberger	-	Non-Public Arbitrator
Mary Ten Eyck Taylor, J.D.	-	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.



Robert Rapp, Esq.
Non-Public Arbitrator, Presiding Chairperson

October 28, 2004
Signature Date

Robert P. Weisberger
Non-Public Arbitrator

Signature Date

Mary Ten Eyck Taylor, J.D.
Non-Public Arbitrator

Signature Date

October 28, 2004
Date of Service (For NASD Dispute Resolution use only)

ARBITRATION PANEL

Robert Rapp, Esq.	-	Non-Public Arbitrator, Presiding Chairperson
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Robert Rapp, Esq.
Non-Public Arbitrator, Presiding Chairperson

Signature Date

Robert P. Weisberger
Robert P. Weisberger
Non-Public Arbitrator

10/28/04
Signature Date

Mary Ten Eyck Taylor, J.D.
Non-Public Arbitrator

Signature Date

October 28, 2004
Date of Service (For NASD Dispute Resolution use only)

ARBITRATION PANEL

Robert Rapp, Esq.	-	Non-Public Arbitrator, Presiding Chairperson
Robert P. Weisberger	-	Non-Public Arbitrator
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Robert Rapp, Esq.
Non-Public Arbitrator, Presiding Chairperson

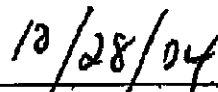
Signature Date

Robert P. Weisberger
Non-Public Arbitrator

Signature Date



Mary Ten Eyck Taylor, J.D.
Non-Public Arbitrator



Signature Date

October 28, 2004

Date of Service (For NASD Dispute Resolution use only)