

AWARD
NASD Dispute Resolution

In the Matter of the Arbitration Between

Names of Claimants

Charles M. and Anita Hill

and

Case Number: 04-04507
Hearing Site: Chicago, Illinois

Names of Respondents

ABN AMRO Financial Services, Inc.,
William Mark Buchband, and
LaSalle Financial Services, Inc.

NATURE OF DISPUTE

Customers v. Member Firm, Associated Person and Non-Member

REPRESENTATION OF PARTIES

Charles M. and Anita Hill ("**Claimants**") were represented by Paul J. Sussman, Esq., Chicago, Illinois.

ABN AMRO Financial Services, Inc. ("**ABN AMRO**"), William Mark Buchband ("**Buchband**"), and LaSalle Financial Services, Inc. ("**LaSalle Financial**") were represented by James V. Garvey, Esq., Vedder Price, Chicago, Illinois.

CASE INFORMATION

The Statement of Claim was filed on or about June 25, 2005. The Submission Agreement of Claimants, Charles M. and Anita Hill, was signed on or about May 20, 2004. On or about October 29, 2004, Claimants filed a Response to the Respondents' Motion to Dismiss.

A Motion to Dismiss for Lack of Subject Matter Jurisdiction and a Motion for Extension of Time to File Answer Pending Resolution of Motion to Dismiss for Lack of Subject Matter Jurisdiction was filed jointly by Respondents, ABN AMRO Financial Services, Inc., William Mark Buchband, and LaSalle Financial Services, Inc., on or about September 21, 2004. On or about January 7, 2005, Respondents filed a Reply in Support of the Motion to Dismiss.

CASE SUMMARY

Claimants asserted the following causes of action: breach of fiduciary duty, failure to supervise, suitability, and misrepresentations. The causes of action related to the four accounts opened by Claimants: the Charles and Anita Hill Joint Account, an IRA for Charles Hill, an IRA for Anita Hill, and a Charles Hill IRA MidCap account. Claimants alleged that Respondents engaged in highly speculative program of purchasing tech securities and other high risk securities. Claimants also alleged that Respondents failed to purchase non-equity investments although Claimants repeatedly requested same and Respondents failed to initiate a hedging strategy such as a collar or forward contract.

RELIEF REQUESTED

Claimants requested an award in the amount of:

Actual/Compensatory Damages	\$398,210.00
Punitive/Exemplary Damages	\$100,000.00
Interest	Unspecified
Attorneys' Fees	Unspecified
Other Costs	Unspecified
Other Monetary Relief	Unspecified

Respondents requested that the claims asserted against them be denied in their entirety and that they be awarded their costs and attorneys' fees.

OTHER ISSUES CONSIDERED & DECIDED

Respondents, ABN AMRO Financial Services, Inc. William Mark Buchband, and LaSalle Financial Services, Inc., did not file with the NASD Dispute Resolution properly executed submissions to arbitration but are required to submit to arbitration pursuant to Rule 10301 of the NASD Code of Arbitration Procedure (the "Code") and file their Motion to Dismiss, appeared and testified at the prehearing and hearing are bound by the determination of the arbitration panel on all issues submitted.

On or about May 6, 2005, the Panel issued the following Order:

The panel considers whether to hear and decide Respondents' request to dismiss this arbitration "for lack of subject matter jurisdiction" before proceeding further, and determines that it is appropriate to do so in this case. The Panel therefore ORDERS that:

- A. The parties shall, by not later than May 31, 2005, submit in written form all further factual information in support of or *opposition to said motion that they may wish to adduce*; such information shall to the extent feasible be supported by affidavit, by admission of the opposite party, or other suitable verification.
- B. By the same date, the parties shall submit any additional legal authorities or argument in support of their submissions.
- C. By June 6, 2005, the parties shall advise the staff whether they have agreed to submit to motion on the papers or by oral argument, and if the latter whether by conference call or in person at Chicago; in the absence of agreement of the parties, the argument will be in person; the staff is directed to contact the parties and the Panel to schedule any oral hearing and notify all concerned.

The Chairperson further ORDERS that all time limits or periods for initiation of or compliance with discovery are suspended pending decision of the above-referenced motion.

On or about July 17, 2005, the Panel issued the following Order:

The Panel on July 14, 2005, heard oral presentations of the parties on Respondents' motion styled as one to 'Dismiss for Lack of Subject Matter Jurisdiction,' and, having also considered the pleadings, motion papers, briefs and other supporting documentation filed in support of and in opposition to said motion, the Panel determined that:

- A. Claimants were customers solely of a bank and not of an NASD member firm, although both the bank and the member are direct or indirect subsidiaries of a common parent holding company; and
- B. There was and is no sufficient basis in law or fact for the arbitration facility of NASD Dispute Resolution to entertain or adjudicate any of these claims of the Claimants, and any defenses thereto, particularly in view of the objection of the Respondents presented by the instant motions; and
- C. Said motion should be granted without adjudicating in whole or part any claim or defense.

Accordingly, it is ORDERED by the Panel that:

- 1. This arbitration proceeding is DISMISSED WITHOUT PREJUDICE and without adjudicating in whole or part any claim or defense; and

2. All forum fees shall be borne by the Claimants, jointly and severally.

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. In either case, the parties have agreed to receive conformed copies of the award while the original(s) remain on file with NASD Dispute Resolution ("NASD").

AWARD

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

- 1.) Claimants' claims, each and all, are hereby dismissed without prejudice;
- 2.) Other than Forum Fees which are specified below, the parties shall each bear their own costs and expenses incurred in this matter; and
- 3.) Any relief not specifically enumerated, including punitive damages and attorneys' fees, is hereby denied with prejudice.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution will retain the non-refundable filing fee for each claim:

Initial claim filing fee = \$ 300.00

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 persons at the time of the events giving rise to the dispute. In this matter, the member firm is ABN AMRO Financial Services, Inc.

Member surcharge = \$ 1,700.00
Pre-hearing process fee = \$ 750.00
Hearing process fee = \$ 2,750.00

Forum Fees and Assessments

The Arbitration 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. Fees associated with these proceedings are:

One (1) Pre-hearing session with Panel x \$1,125.00	= \$ 1,125.00
Pre-hearing conference: December 8, 2004	1 session
One (1) Hearing session x \$1125.00	= \$ 1,125.00
Hearing Date: July 14, 2005	1 session
Total Forum Fees	= \$ 2,250.00

The Arbitration Panel has assessed \$2,250.00 of the forum fees jointly and severally to Charles M. and Anita Hill.

Fee Summary

Claimants, Charles M. and Anita Hill, are jointly and severally liable for:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$ 2,250.00
Total Fees	= \$ 2,550.00
Less payments	= \$ 1,425.00
Balance Due NASD Dispute Resolution	= \$ 1,125.00

Respondent, ABN AMRO Financial Services, Inc., is liable for:

Member Fees	= \$ 5,200.00
Total Fees	= \$ 5,200.00
Less payments	= \$ 5,200.00
Balance Due NASD Dispute Resolution	= \$ 0.00

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. Enright, Esq. - Public Arbitrator, Presiding Chair
Steven H. Vogel - Public Arbitrator
Scott M. Krantz - Non-Public Arbitrator

Concurring Arbitrators:



John J. Enright, Esq.
Public Arbitrator, Presiding Chair



Signature Date

Steven H. Vogel
Public Arbitrator

Signature Date

Scott M. Krantz
Non-Public Arbitrator

Signature Date

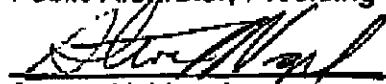
Date of Service (For NASD office use only)

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Public Arbitrator, Presiding Chair



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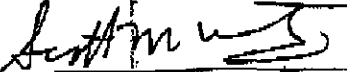
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Scott M. Krantz
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Signature Date

10/10/05
Signature Date