

Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Gwendolyn Cruchon, Claimant v. Securities America, Inc. and Mark Alexander Taylor, dba Winthrop Taylor Asset Management, Respondents

Case Number: 04-05654

Hearing Site: San Diego, California

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

REPRESENTATION OF PARTIES

For Claimant:

William S. Bonnheim, Esq.
William S. Bonnheim, PLC
Palm Desert, California

For Respondents:

Edward S. Zusman, Esq.
Amir Tadjedin, Esq.
Markun Zusman & Compton LLP
San Francisco, California

CASE INFORMATION

Statement of Claim filed: on or about August 11, 2004

Claimant's Uniform Submission Agreement signed: June 17, 2004

Joint Statement of Answer filed by Respondents: October 11, 2004

Respondent Securities America, Inc.'s Uniform Submission Agreement signed:
September 2, 2004

CASE SUMMARY

Claimant alleged unsuitability, breach of fiduciary duty, failure to supervise, violation of federal and state securities laws, and NASD Rules of Fair Practice and NYSE Rules, involving various accounts held by Claimant.

Respondent Mark Alexander Taylor, dba Winthrop Taylor Asset Management (hereinafter Mark Alexander Taylor) was dismissed prior to settlement and took no part in it. The Respondents collectively denied all of the claims in the Statement of Claim.

RELIEF REQUESTED

Claimant requested compensatory damages in the amount of \$98,167.55, interest, and costs, including attorney's fees.

Respondents requested dismissal of the Claimant's Statement of Claim in its entirety, costs, attorney's fees, and expungement of this matter from Mark Alexander Taylor's regulatory records.

OTHER ISSUES CONSIDERED AND DECIDED

On October 22, 2004, Claimant and Claimant's counsel 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.

Respondent Mark Alexander Taylor 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, having answered the claim, is bound by the determination of the Panel on all issues submitted.

On September 19, 2005, NASD Dispute Resolution received notice that Respondent Mark Alexander Taylor was dismissed with prejudice.

On September 20, 2005, NASD Dispute Resolution received notice that this matter settled in its entirety.

The parties agreed that the Award in this matter may be executed in counterpart copies or that a handwritten, signed Award may be entered.

Claimant has settled her claims against Respondent Securities America, Inc. after having dismissed Respondent Mark Alexander Taylor, who did not participate in the settlement, and therefore, pursuant to the terms of the settlement, the parties request that the Panel issue the following Award:

AWARD

In October 2005, the parties entered into a settlement agreement of this matter. The parties further agreed to present to the Panel a Stipulated Award. Now, in lieu of a hearing and upon motion of Respondents for entry of an Award, the written stipulation thereto, the Panel hereby grants the motion and enters this Award, granting the following relief:

- 1) Respondents are dismissed with prejudice pursuant to the settlement agreement entered into by Securities America, Inc. and Claimant.
- 2) The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Mark Alexander Taylor's registration records maintained by the Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 04-16, Respondent Mark Alexander Taylor must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

Pursuant to Rule 2130 of the NASD Code of Arbitration Procedure, the Arbitration Panel has made the following affirmative findings of fact based upon the evidence presented to the Arbitration Panel:

The claim, allegation, or information is false.

- 3) Each party shall bear its own costs and expenses associated with the above-referenced arbitration.
- 4) All other relief not specifically addressed herein is denied.

FEES

Pursuant to the *Code of Arbitration Procedure* (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	= \$ 225.00
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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, the member firm Securities America, Inc. is a party and the following fees are assessed:

Member Surcharge	= \$ 1,100.00
Pre-Hearing Process Fee	= \$ 750.00
<u>Hearing Process Fee</u>	<u>= \$ 1,700.00</u>
Total Member Fees	= \$ 3,550.00

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:

Two (2) Pre-hearing conference sessions with the Panel @ \$750.00/session	= \$ 1,500.00
Pre-hearing conferences: December 21, 2004	1 session
February 8, 2006	1 session

Total Forum Fees	= \$ 1,500.00
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1. The Panel assessed \$375.00 of the forum fees to Claimant.
2. The Panel assessed \$1,125.00 of the forum fees jointly and severally to Respondents.

Fee Summary

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

Initial Filing Fee	= \$ 225.00
Forum Fees	= \$ 375.00
<u>Retained Hearing Session Deposit Pursuant to Rule 10332(f) of the Code</u>	<u>= \$ 375.00</u>
Total Fees	= \$ 975.00
<u>Less payments</u>	<u>= \$(975.00)</u>
Balance Due NASD Dispute Resolution	= \$ 0.00

2. Respondent Securities America, Inc. is charged with the following fees and costs:

Member Fees	= \$ 3,550.00
<u>Less payments</u>	<u>= \$(3,550.00)</u>
Balance Due NASD Dispute Resolution	= \$ 0.00

3. Respondents are charged jointly and severally with the following fees and costs:

<u>Forum Fees</u>	<u>= \$ 1,125.00</u>
Balance Due NASD Dispute Resolution	= \$ 1,125.00

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.

NASD Dispute Resolution

Arbitration No. 04-05654

Stipulated Award Page 6 of 7

Parties' Signatures



William S. Bornheim, Esq.
Gwendolyn Cruchon

12/27/05
Signature Date


Edward S. Zusman, Esq.
Amir Tadjedin, Esq.
Securities America, Inc. and
Mark Alexander Taylor,
dba Winthrop Taylor Asset Management

Signature Date

Parties' Signatures

William S. Bornheim, Esq.
Gwendolyn Cruchon

Signature Date


Edward S. Zusman, Esq.
Amir Tadjedin, Esq.
Securities America, Inc. and
Mark Alexander Taylor,
dba Winthrop Taylor Asset Management

January 23, 2006
Signature Date

ARBITRATION PANEL

Robert J. Ruben	-	Public Arbitrator, Presiding Chair
William L. Merkin	-	Public Arbitrator
James A. Bush	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

	<u>3/6/06</u>
Robert J. Ruben	Signature Date
Chair, Public Arbitrator	

<u>William L. Merkin</u>	<u> </u>
Public Arbitrator	Signature Date

<u>James A. Bush</u>	<u> </u>
Non-Public Arbitrator	Signature Date

March 6, 2006
Date of Service

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William L. Merkin	-	Public Arbitrator
James A. Bush	-	Non-Public Arbitrator

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Chair, Public Arbitrator

Signature Date



William L. Merkin
Public Arbitrator

3/06/06

Signature Date

James A. Bush
Non-Public Arbitrator

Signature Date

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Date of Service

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