

---

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

---

In the Matter of the Arbitration Between:

Name of the Claimant

Mary Ann Steward

Case Number: 04-06360

Names of the Respondents

Allen Douglas Securities, Inc.

Mark Anthony Cahill

Hearing Site: Orlando, Florida

---

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

**REPRESENTATION OF PARTIES**

For Mary Ann Steward, hereinafter referred to as "Claimant": William Young, Esq., Hooper & Weiss, L.L.C., Orlando, Florida.

For Respondents Allen Douglas Securities, Inc. ("ADS") and Mark Anthony Cahill ("Cahill"), hereinafter collectively referred to as "Respondents": Russell L. Forkey, Esq., Russell L. Forkey, P.A., Fort Lauderdale, Florida.

**CASE INFORMATION**

Statement of Claim filed on or about: August 31, 2004.

Claimant signed, but did not date, the Uniform Submission Agreement.

Statement of Answer filed by Respondents on or about: October 28, 2004.

Respondent ADS signed the Uniform Submission Agreement: November 9, 2004.

Respondent Cahill signed the Uniform Submission Agreement: November 11, 2004.

**CASE SUMMARY**

Claimant asserted the following causes of action: (i) unsuitability; (ii) breach of fiduciary duty; (iii) breach of contract; (iv) negligence; (v) violation of Section 10(b) and Rule 10b-5 of the Securities Exchange Act of 1934; (vi) common law fraud; (vii) violation of SRO rules; (viii) failure to supervise; and, (ix) respondeat superior. The causes of action relate to the purchase in Claimant's accounts of various technology stocks, including the following: Nextel Communications, Symbol Technologies, Motorola, Amazon.com, Avid Technology, and Ebay, Inc.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted various affirmative defenses.

**RELIEF REQUESTED**

Claimant requested compensatory damages of not less than \$21,706.63, disgorgement of all commissions, fees and other charges paid by Claimant to Respondents, an unspecified amount of punitive damages, interest, attorneys' fees, costs and expenses of this proceeding, and such other relief as deemed just and proper.

Respondents requested that the Arbitrator dismiss the Statement of Claim in its entirety, enter an award for attorney's fees in their favor, and grant such other and further relief as the Arbitrator deemed just and proper.

**OTHER ISSUES CONSIDERED AND DECIDED**

On or about August 16, 2005, the parties filed with NASD Dispute Resolution a notice of settlement.

On or about September 23, 2005, the parties filed with NASD Dispute Resolution a proposed Stipulation for Settlement for review and approval by the Arbitrator, which contained a provision requesting the expungement of all references to this arbitration proceeding from Respondent Cahill's NASD Central Registration Depository ("CRD") records. In the Stipulation for Settlement, Claimant further stated that after review of all discovery in this matter, Claimant has determined that the claims filed against Respondents could not be sustained. Claimant therefore requested that the arbitration be dismissed. Claimant withdrew all claims of wrongdoing against Respondents and requested a dismissal, with prejudice of this action, against Respondents.

**AWARD**

After considering the pleadings and the proposed Stipulation for Settlement, the Arbitrator has decided in full and final resolution of the issues submitted for determination as follows:

Any and all claims against Respondents are dismissed, with prejudice.

The Arbitrator recommends the expungement of all reference to the above captioned arbitration from Respondent Cahill's registration records maintained by the CRD, with the understanding that pursuant to NASD Notice to Members 04-16, Respondent Cahill must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

Unless specifically waived in writing by NASD, parties seeking judicial confirmation of an arbitration award containing expungement relief must name NASD as an additional party and serve NASD with all appropriate documents.

Pursuant to Rule 2130 of the NASD Code of Arbitration Procedure (the "Code"), the Arbitrator has made the following affirmative findings of fact:

The claims were unfounded and without factual basis.

Any and all relief not specifically addressed herein, including Claimant's request for punitive damages, is denied.

**FEES**

Pursuant to the 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 = \$ 125.00

**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. Respondent ADS is not presently a member firm of NASD. However, at the time the Statement of Claim was served upon Respondents, ADS was a member firm of NASD. Accordingly, the following member fee is assessed to Respondent ADS:

Member surcharge	= \$ 425.00
Total Member Fees	= \$ 425.00

**Adjournment Fees**

Adjournments granted during these proceedings for which fees were assessed:

No adjournment fees were incurred in this matter.

**Three-Day Cancellation Fees**

Fees apply when a hearing on the merits is postponed or settled within three business days before the start of a scheduled hearing session.

No three-day cancellation fees were incurred in this matter.

**Injunctive Relief Fees**

Injunctive relief fees are assessed to each member or associated person who files for a temporary injunction in court. Parties in these cases are also assessed arbitrator travel expenses and costs when an arbitrator is required to travel outside his or her hearing location and additional arbitrator honoraria for the hearing for permanent injunction. These fees, except the injunctive relief surcharge, are assessed equally against each party unless otherwise directed by the Arbitrator.

No injunctive relief fees were incurred in this matter.

**Forum Fees and Assessments**

The Arbitrator 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 the Arbitrator @ \$450.00/session = \$ 450.00  
Pre-hearing Conference: January 31, 2005 1 session

---

Total Forum Fees = \$ 450.00

The Arbitrator has assessed forum fees of \$225.00 to Claimant.

The Arbitrator has assessed forum fees of \$225.00 to Respondents, jointly and severally.

**Administrative Costs**

Administrative costs are expenses incurred due to a request by a party for special services beyond the normal administrative services. These include, but not limited to, additional copies of arbitrator awards, copies of audio transcripts, retrieval of documents from archives, interpreters, and security.

No administrative costs were incurred in this matter.

**FEE SUMMARY**

Claimant is solely liable for:

Initial Filing Fee	= \$ 125.00
Forum fees	= \$ 225.00
Retained Hearing Session Deposit pursuant to Rule 10332(f) of the Code	= \$ 225.00
Total Fees	= \$ 575.00
Less payments	= \$ 575.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondent ADS is solely liable for:

Member Fees	= \$ 425.00
Total Fees	= \$ 425.00
Less payments	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 425.00

Respondents ADS and Cahill are jointly and severally liable for:

Forum Fees	= \$ 225.00
Total Fees	= \$ 225.00
Less payments	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 225.00

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

**ARBITRATOR**

Lawrence Paul McGauley, Esq.

Public Arbitrator

**Concurring Arbitrator's Signature**

/s/  
Lawrence Paul McGauley, Esq.  
Public Arbitrator

October 3, 2005  
Signature Date

October 3, 2005  
Date of Service (For NASD Dispute Resolution office use only)

NASD Dispute Resolution  
Arbitration No. 04-06360  
Stipulated Award Page 5

10

Steve Encasova

ARBITRATOR

Lawrence Paul McGauley, Esq.

Public Arbitrator

Concurring Arbitrator's Signature



Lawrence Paul McGauley, Esq.  
Public Arbitrator

Oct 3<sup>rd</sup> 2005

Signature Date

Date of Service (For NASD Dispute Resolution office use only)