

**Award
NASD Dispute Resolution**

In the Matter of the Arbitration Between:

Names of the Claimants

Loretta K. Davolos
Tricia E. Davolos

Case Number: 04-07417

Names of the Respondents

Park Financial Group, Inc.
Ty Evans
Gordon Cantley
National Clearing Corporation

Hearing Site: Orlando, FL

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

REPRESENTATION OF PARTIES

For Loretta K. Davolos and Tricia E. Davolos, hereinafter collectively referred to as "Claimants": Philip J. Snyderburn, Esq., Snyderburn, Rishoi & Swann, Maitland, FL.

For Respondents Park Financial Group, Inc. ("PFGI") and Gordon Cantley ("Cantley"): Brian J. Neville, Esq., New York, NY.

For Respondent Ty Evans ("Evans"): Adam H. Smith, Esq., Boca Raton, FL.

For Respondent National Clearing Corporation ("NCC"): Jeffrey S. Kob, Esq., Coronado, CA.

CASE INFORMATION

Statement of Claim filed on or about: October 20, 2004.

First Amended Statement of Claim filed on or about: January 19, 2005.

Claimants signed the Uniform Submission Agreement: October 19, 2004.

Statement of Answer filed by Respondents PFGI, Evans, and Cantley on or about: February 7, 2005.

Respondent Cantley signed the Uniform Submission Agreement: February 7, 2005.

Statement of Answer filed by Respondent NCC on or about: April 12, 2005.

Amended Statement of Answer filed by Respondent NCC on or about: July 18, 2005.

Respondents PFGI, Evans, and NCC did not file executed Uniform Submission Agreements.

Respondent NCC's Motion for Leave to File Cross-Claim for Indemnification Against Respondent PFGI ("Motion to File Cross-Claim") filed on or about: August 17, 2006.

Respondent PFGI's Response to the Motion to File Cross-Claim filed on or about: September 15, 2006.

Respondent NCC's Reply in Support of the Motion to File Cross-Claim filed on or about: September 21, 2006.

Respondent NCC's Cross-Claim against Respondent PFGI filed on or about:
September 29, 2006.

CASE SUMMARY

Claimants asserted the following causes of action: churning; unsuitability; lack of supervision; fraudulent inducement; breach of fiduciary duty; negligence; and, breach of contract. The causes of action relate to the purchase and sale of various unspecified securities in Claimants' accounts.

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

Unless specifically admitted in its Answer, as amended, Respondent NCC denied the allegations made in the Statement of Claim, as amended, and asserted various affirmative defenses. In its Cross-Claim, Respondent NCC asserted the cause of action of indemnification against Respondent PFGI.

RELIEF REQUESTED

Claimants requested compensatory damages of \$595,602.00, plus interest, costs, and punitive damages.

Respondents PFGI, Evans, and Cantley requested dismissal of the Statement of Claim, costs, and any other and further relief deemed appropriate under the facts and circumstances of this case.

Respondent NCC requested dismissal of the Statement of Claim and for such other relief as the undersigned arbitrators (the "Panel") deemed just and proper. In its Cross-Claim, Respondent NCC requested an award equal in amount to any award rendered by the Panel against it, as well as for all attorneys' fees, costs, NASD fees, and any other relief the Panel deemed fair and just.

OTHER ISSUES CONSIDERED AND DECIDED

The Statement of Claim named J.B. Oxford & Company, a/k/a Stocks 4 Less, Inc. as a Respondent in this matter. On or about September 9, 2005, the parties filed an Agreed Order and Notice of Hearing in which they requested that the Statement of Claim be amended to delete J.B. Oxford & Company, a/k/a Stocks 4 Less, Inc. as a party and substitute NCC as the Respondent. On or about September 22, 2005, the Panel granted the request.

On or about January 17, 2006, Claimants filed a Notice of Voluntary Dismissal, With Prejudice, as to Ty Evans.

On or about May 15, 2006, Claimants filed a Notice of Dismissal, With Prejudice, as to Gordon Cantley and Ty Evans.

On or about May 15, 2006, Claimants filed a Notice of Dismissal, With Prejudice, as to Park Financial Group, Inc.

On or about September 29, 2006, the Panel issued an order which granted Respondent NCC's Motion to File Cross-Claim.

During the evidentiary hearing, Respondent NCC moved to adopt the Statement of Answer, as amended, of Respondent J.B. Oxford & Company, a/k/a Stocks 4 Less, Inc. Claimants and Respondents PFGI, Evans, and Cantley did not object to this motion. The Panel granted Respondent NCC's motion.

During the evidentiary hearing, Claimants requested compensatory damages, pre-judgment interest, costs, and punitive damages totaling \$2,370,994.88.

Respondents PFGI, Evans, and NCC did not file with NASD Dispute Resolution properly executed Uniform Submission Agreements but are required to submit to arbitration pursuant to the NASD Code of Arbitration Procedure (the "Code") and, having answered the claim, are bound by the determination of the Panel on all issues submitted.

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, 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:

Respondent NCC is liable and shall pay to Claimants compensatory damages in the sum of \$344,414.61 inclusive of interest to the date of this award based upon the Florida statutory rate of interest.

Respondent NCC is liable and shall pay to Claimants costs in the sum of \$3,677.94.

A Cross-Claim by Respondent NCC against Respondent PFGI for indemnification was filed and admitted. It is the decision of the Panel, after hearing the evidence in this case, that should Respondent NCC wish to proceed with this cause for indemnification, it should be filed as a new case with NASD Dispute Resolution. This matter would have nothing to do with the Claimants named in this case and should be considered a new matter. Accordingly, Respondent NCC's Cross-Claim is dismissed, without prejudice.

Any and all claims for relief not specifically addressed herein, including Claimants' request for punitive damages, are 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	= \$375.00
Cross-Claim filing fee	= \$500.00

Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firm(s) that employed the associated person(s) at the time of the event(s) giving rise to the dispute. Accordingly, Respondent PFGI is a party and member firm. Respondent NCC and J.B. Oxford & Company are no longer NASD member firms but having actively participated in this matter are assessed the following member fees.

Member surcharge	= \$2,250.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$4,000.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

January 20, 2006, adjournment by the Panel = \$1,200.00
The Panel assessed the adjournment fee jointly and severally to Respondents PFGI and Cantley.

May 24-26, 2006, adjournment by Respondent NCC = \$1,200.00
The Panel waived assessment of the adjournment fee.

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:

January 20, 2006, adjournment by the Panel = \$ 300.00
The Panel assessed the three-day cancellation fees jointly and severally to Respondents PFGI and Cantley.

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 panel.

No injunctive relief fees were assessed during these proceedings.

Forum Fees and Assessments

The Panel has assessed forum fees for each session conducted or each decision rendered on a discovery-related motion on the papers. A session is any meeting between the parties and the arbitrator(s), including a pre-hearing conference with the

arbitrator(s), that lasts four (4) hours or less. Fees associated with these proceedings are:

One (1) Pre-hearing session with a single arbitrator @ \$450.00/session = \$ 450.00
Pre-hearing conference: September 8, 2005 1 session

Five (5) Pre-hearing sessions with the Panel @ \$1,200.00/session = \$6,000.00
Pre-hearing conferences: May 19, 2005 1 session
December 20, 2005 1 session
February 13, 2006 1 session
August 18, 2006 1 session
November 30, 2006 1 session

Nine (9) Hearing sessions @ \$1,200.00/session = \$10,800.00
Hearing Dates: January 16, 2006 2 sessions
January 17, 2006 2 sessions
January 18, 2006 2 sessions
January 19, 2006 1 session
December 12, 2006 2 sessions

Total Forum Fees = \$17,250.00

1. The Panel has assessed \$5,750.00 of the forum fees jointly and severally to Claimants.
2. The Panel has assessed \$5,750.00 of the forum fees to Respondent PFGI.
3. The Panel has assessed \$5,750.00 of the forum fees to Respondent NCC.

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 during these proceedings.

Fee Summary

Claimants are jointly and severally liable for:

Initial Filing Fee	= \$ 375.00
Forum Fees	= \$ 5,750.00
Total Fees	= \$ 6,125.00
Less payments	= \$ 1,575.00
Balance Due NASD Dispute Resolution	= \$ 4,550.00

Respondent NCC is solely liable for:

Cross-Claim Filing Fee	= \$ 500.00
Forum Fees	= \$ 5,750.00
Member Fees	= \$ 7,000.00

Total Fees	= \$13,250.00
<u>Less payments</u>	<u>= \$ 1,500.00</u>
Balance Due NASD Dispute Resolution	= \$11,750.00

Respondent PFGI is solely liable for:

Forum Fees	= \$ 5,750.00
<u>Member Fees</u>	<u>= \$ 7,000.00</u>
Total Fees	= \$12,750.00
<u>Less payments</u>	<u>= \$ 7,000.00</u>
Balance Due NASD Dispute Resolution	= \$ 5,750.00

J.B. Oxford & Company is solely liable for:

<u>Member Fees</u>	<u>= \$ 7,000.00</u>
Total Fees	= \$ 7,000.00
<u>Less payments</u>	<u>= \$ 920.00</u>
Balance Due NASD Dispute Resolution	= \$ 6,080.00

Respondents PFGI and Cantley are jointly and severally liable for:

Three-Day Cancellation Fee	= \$ 300.00
<u>Adjournment Fee</u>	<u>= \$ 1,200.00</u>
Total Fees	= \$ 1,500.00
<u>Less payments</u>	<u>= \$ 0.00</u>
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

Benita Sirkin	-	Public Arbitrator, Presiding Chairperson
Donald M. MacDonald	-	Public Arbitrator
Robert S. Natiss	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

/s/
Benita Sirkin
Public Arbitrator, Presiding Chairperson

Signature Date

/s/
Robert S. Natiss
Non-Public Arbitrator

Signature Date

Dissenting Arbitrator's Signature

/s/

Donald M. MacDonald

Signature Date

December 21, 2006

Date of Service (For NASD Dispute Resolution use only)

Total Fees	= \$13,250.00
<u>Less payments</u>	<u>= \$ 1,500.00</u>
Balance Due NASD Dispute Resolution	= \$11,750.00

Respondent PFGI is solely liable for:

Forum Fees	= \$ 5,750.00
<u>Member Fees</u>	<u>= \$ 7,000.00</u>
Total Fees	= \$12,750.00
<u>Less payments</u>	<u>= \$ 7,000.00</u>
Balance Due NASD Dispute Resolution	= \$ 5,750.00

J.B. Oxford & Company is solely liable for:

<u>Member Fees</u>	<u>= \$ 7,000.00</u>
Total Fees	= \$ 7,000.00
<u>Less payments</u>	<u>= \$ 920.00</u>
Balance Due NASD Dispute Resolution	= \$ 6,080.00

Respondents PFGI and Cantley are jointly and severally liable for:

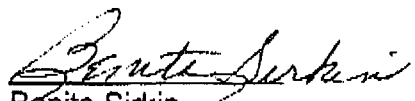
Three-Day Cancellation Fee	= \$ 300.00
<u>Adjournment Fee</u>	<u>= \$ 1,200.00</u>
Total Fees	= \$ 1,500.00
<u>Less payments</u>	<u>= \$ 0.00</u>
Balance Due NASD Dispute Resolution	= \$ 1,500.00

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Donald M. MacDonald	-	Public Arbitrator
Robert S. Natiss	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures



Benita Sirkin
Public Arbitrator, Presiding Chairperson

12/20/06
Signature Date

Robert S. Natiss
Non-Public Arbitrator

Signature Date

Total Fees	= \$13,250.00
<u>Less payments</u>	<u>= \$ 1,500.00</u>
Balance Due NASD Dispute Resolution	= \$11,750.00

Respondent PFGI is solely liable for:

Forum Fees	= \$ 5,750.00
<u>Member Fees</u>	<u>= \$ 7,000.00</u>
Total Fees	= \$12,750.00
<u>Less payments</u>	<u>= \$ 7,000.00</u>
Balance Due NASD Dispute Resolution	= \$ 5,750.00

J.B. Oxford & Company is solely liable for:

<u>Member Fees</u>	<u>= \$ 7,000.00</u>
Total Fees	= \$ 7,000.00
<u>Less payments</u>	<u>= \$ 920.00</u>
Balance Due NASD Dispute Resolution	= \$ 6,080.00

Respondents PFGI and Cantley are jointly and severally liable for:

Three-Day Cancellation Fee	= \$ 300.00
<u>Adjournment Fee</u>	<u>= \$ 1,200.00</u>
Total Fees	= \$ 1,500.00
<u>Less payments</u>	<u>= \$ 0.00</u>
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.

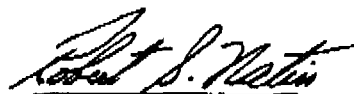
ARBITRATION PANEL

Benita Sirkin	-	Public Arbitrator, Presiding Chairperson
Donald M. MacDonald	-	Public Arbitrator
Robert S. Natiss	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

Benita Sirkin
Public Arbitrator, Presiding Chairperson

Signature Date


Robert S. Natiss
Non-Public Arbitrator

DEC 10, 2006
Signature Date

NASD Dispute Resolution
Arbitration No. 04-07417
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Dissenting Arbitrator's Signature


Donald M. MacDonald
Public Arbitrator

12/20/2006
Signature Date

Date of Service (For NASD Dispute Resolution use only)