
**Stipulated Award
NASD Dispute Resolution**

In the Matter of the Arbitration Between:

Name of the Claimant
Dane Fulmer

Case Number: 04-08185

Name of the Respondent
Sterne, Agee & Leach, Inc.

Hearing Site: Little Rock, Arkansas

Nature of the Dispute: Associated Person vs. Member.

REPRESENTATION OF PARTIES

For Dane Fulmer, hereinafter referred to as "Claimant": Kenneth R. Shemin, Esq., Shemin & Hendren, PLLC, Fayetteville, AR.

For Sterne, Agee & Leach, Inc. ("SAL"), hereinafter referred to as "Respondent": Peter J. Tepley, Esq. and Charles M. Elmer, Esq., Haskell Slaughter Young & Rediker, LLC, Birmingham, AL.

CASE INFORMATION

Statement of Claim filed on or about: November 8, 2004.

Claimant signed the Uniform Submission Agreement: November 8, 2004.

Statement of Answer filed by Respondent on or about: January 24, 2005.

Respondent signed the Uniform Submission Agreement: December 20, 2004.

CASE SUMMARY

Claimant asserted the cause of action of breach of contract. Claimant's cause of action relates to allegations that Respondent breached a contract with Claimant to purchase Claimant's shares of Respondent's stock and refund contributions Claimant made to settle an arbitration claim brought against Claimant's former company.

Unless specifically admitted in its Answer, Respondent denied all allegations of wrongdoing and asserted the following defenses: accord and satisfaction; breach of contract; estoppel; fraud; lack of bargained for consideration; lack of meeting of the minds; and, in pari delicto.

RELIEF REQUESTED

Claimant requested an unspecified amount of compensatory damages, costs, attorneys' fees, and all other proper relief.

Respondent requested the entry of an award in its favor and against Claimant, attorneys' fees, and the costs and expenses that Respondent incurred in defending itself in this matter.

OTHER ISSUES CONSIDERED AND DECIDED

Prior to the hearing, the parties engaged in extensive settlement negotiations and subsequently entered into a settlement agreement with respect to the claims in this case. On or about June 9, 2006, the parties submitted a proposed Stipulated Award ("proposed Stipulated Award") to the undersigned arbitrators (the "Panel") for its consideration and requested that it be entered.

The parties agreed that the Stipulated Award in this matter may be executed in counterpart copies.

AWARD

After considering the pleadings and the proposed Stipulated Award, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

Claimant has settled his claims against Respondent and requests entry of a Stipulated Award. Respondent has agreed that the expungement of all references to the involuntary nature of Claimant's termination from employment with Respondent from Claimant's registration records maintained by the NASD Central Registration Depository ("CRD") is appropriate.

The Panel recommends the expungement of the Reason for Termination (i.e., "discharge") and the accompanying Termination Comment (i.e., "Internal Policy Issues") as reported in Item 3 on the Form U-5 filed on February 9, 2004 by Respondent Sterne, Agee & Leach, Inc. (CRD 791) on behalf of Claimant Dane Fulmer (CRD 500085). In lieu of the "discharge," the reason for termination as reported in Item 3 on the U5 should reflect a "voluntary" termination. Replacement language for the termination comment is not provided as Form U5 does not require a termination comment when the reason for termination is "voluntary." In addition, any and all references to the involuntary termination of Claimant's employment for "internal policy issues," including Claimant's Form U-4, should also be expunged. The expungement recommendation is made with the understanding that pursuant to NASD Notices to Members 99-09 and 99-54, Claimant must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

The parties shall bear their respective costs, including attorneys' fees.

Any and all claims for relief not specifically addressed herein are denied.

FEES

Pursuant to the NASD Code of Arbitration Procedure (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 = \$ 250.00

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 is a party and a member firm.

Member surcharge	= \$1,500.00
Pre-hearing process fee	= \$ 750.00
<u>Hearing process fee</u>	<u>= \$2,200.00</u>
Total Member Fees	= \$4,450.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

There were no adjournment fees assessed during these proceedings.

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:

There were no three-day cancellation fees assessed during these proceedings.

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.

There were no injunctive relief fees assessed during these proceedings.

Forum Fees and Assessments

The Panel has assessed forum fees for each session conducted. 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 the Panel @ \$1,000.00/session	= \$1,000.00
Pre-hearing conference: April 6, 2005	1 session

Total Forum Fees	= \$1,000.00
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The Panel has assessed the total forum fees of \$1,000.00 to Claimant pursuant to the parties' agreement.

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.

There were no administrative costs incurred during these proceedings.

Fee Summary

Claimant is solely liable for:

Initial Filing Fee	= \$ 250.00
Forum Fees	= \$1,000.00
Total Fees	= \$1,250.00
Less payments	= \$1,250.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondent SAL is solely liable for:

Member Fees	= \$4,450.00
Total Fees	= \$4,450.00
Less payments	= \$4,450.00
Balance Due NASD Dispute Resolution	= \$ 0.00

ARBITRATION PANEL

Gary S. Jefferson, Esq.	-	Non-Public Arbitrator, Presiding Chairperson
Patrice L. Stewart	-	Non-Public Arbitrator
William Stephen Lee	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

/s/
Gary S. Jefferson, Esq.
Non-Public Arbitrator, Presiding Chairperson

Signature Date

/s/
Patrice L. Stewart
Non-Public Arbitrator

Signature Date

/s/
William Stephen Lee
Non-Public Arbitrator

Signature Date

June 15, 2006
Date of Service (For NASD Dispute Resolution office use only)

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Gary S. Jefferson, Esq.
Non-Public Arbitrator, Presiding Chairperson

6/14/06
Signature Date

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Non-Public Arbitrator

Signature Date

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Non-Public Arbitrator

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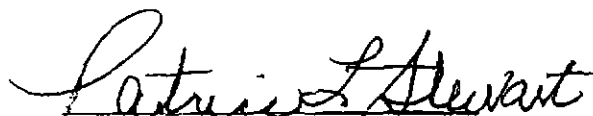
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Gary S. Jefferson, Esq.
Non-Public Arbitrator, Presiding Chairperson

Signature Date



Patrice L. Stewart
Non-Public Arbitrator

6-13-06

Signature Date

William Stephen Lee
Non-Public Arbitrator

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