

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Names of the Claimants

Guian A. Roberts
Guian A. Roberts Revocable Trust, UAD 1/10/92

Case Number: 04-08480

Names of the Respondents

FMSBonds, Inc. f/k/a First Miami Securities, Inc.
Van Zovluck

Hearing Site: Tampa, Florida

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

REPRESENTATION OF PARTIES

For Guian A. Roberts and Guian A. Roberts Revocable Trust, UAD 1/10/02, hereinafter collectively referred to as "Claimants": Jack W. Merritt, Esq. and Randy L. Merritt, Esq., Merritt & Merritt, Sarasota, Florida. On or about February 23, 2006, Merritt & Merritt, P.A. withdrew as counsel for Claimants. On or about May 30, 2006, Steele T. Williams, Esq., Steele T. Williams, P.A., Sarasota, Florida, appeared for Claimants.

For FMSBonds, Inc. f/k/a First Miami Securities, Inc. ("FMS") and Van Zovluck ("Zovluck"), hereinafter collectively referred to as "Respondents": Sydney A. Marks, Esq., Richard and Richard, P.A., Miami, Florida.

CASE INFORMATION

Statement of Claim filed on or about: December 10, 2004.

Claimants signed the Uniform Submission Agreement: January 3, 2005.

Motion to Dismiss and Answer to Statement of Claim filed by Respondents on or about: April 4, 2005.

Amended Statement of Claim and Response to Motion to Dismiss filed by Claimants on or about: October 20, 2005.

Reply to Amended Statement of Claim and Response to Motion to Dismiss filed by Respondents on or about: November 4, 2005.

Response to Motion to Dismiss filed by Claimants on or about: February 13, 2006.

Motion to Dismiss due to Ineligibility and Absence of Claimants filed by Respondents on or about: March 27, 2006.

Response to Motion to Dismiss filed by Claimants on or about: April 12, 2006.

Respondent FMS signed the Uniform Submission Agreement: March 1, 2005.

Respondent Zovluck signed the Uniform Submission Agreement: March 1, 2005.

CASE SUMMARY

Claimants asserted the following causes of action: 1) fraud under Sections 10(b) and 15(c)(1)(A) of the Securities Exchange Act and S.E.C. Rules 10b-5 and 10b-3; 2) violation of Chapter 517, Florida Statutes, including Section 517.301; 3) common law

fraud and breach of fiduciary duty; 4) violation of NASD Conduct Rule 2120 – Manipulative, Deceptive and Fraudulent Devices; 5) violation of NASD Conduct Rule 2310 – Unsuitability; 6) negligence and/or negligent misrepresentation; 7) violation of NASD Conduct Rule 2210(d)(1)(A) – Fair Dealing and Good Faith; 8) violation of NASD Conduct Rule 2330(e) – Prohibiting Guarantees; 9) violation of NASD Conduct Rule 2110 – Commercial Honor and Principles of Trade; 10) gross negligence and reckless misconduct; 11) fraud and misrepresentation; 12) breach and/or violation of industry rules and regulations; 13) breach of contract; 14) *respondeat superior*; 15) punitive damages under Section 768.73, Florida Statutes; 16) violation of NASD Conduct Rule 3010(a) – Negligent Supervision; and 17) rescission under Section 29(b) of the Securities Exchange Act. The causes of action relate to investments in bonds, including Argentina National Government bonds and Venezuelan Government bonds.

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

RELIEF REQUESTED

Claimants requested: 1) rescission of the investment purchases and contracts entered into; 2) compensatory damages in excess of \$250,000.00; 3) refund of all funds transferred to Respondents; 4) interest on all funds transferred to Respondents; 5) repayment of any costs or adverse tax consequences incurred due to the acts of Respondents; 6) punitive damages; 7) attorneys' fees; 8) costs; and 9) such other relief the Panel deemed just and proper.

Respondents requested: 1) dismissal of the Statement of Claim; 2) costs; and 3) attorneys' fees.

OTHER ISSUES CONSIDERED AND DECIDED

On or about September 26, 2005, the Panel granted Claimants leave to file an Amended Statement of Claim.

On or about February 16, 2006, the Panel conducted a telephonic pre-hearing conference with the parties. Thereafter, the Panel denied Respondents' motion to strike Claimants' response to motion to dismiss and denied, without prejudice, Respondents' motion to dismiss.

On or about May 30, 2006, the Panel conducted a telephonic pre-hearing conference with the parties. Thereafter, the Panel granted Respondents' motion to dismiss and dismissed, without prejudice, Claimants' claims in their entirety.

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 and the record, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. Claimants' claims are dismissed, without prejudice, in their entirety.
2. Claimants' requests for punitive damages and attorneys' fees are dismissed, without prejudice.
3. Respondents' request for attorneys' fees is dismissed, without prejudice.
4. Any and all claims for relief not specifically addressed herein, including Claimants' claims under Chapter 517, Florida Statutes, are dismissed, without prejudice.

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	= \$ 300.00
--------------------------	-------------

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 FMS is a party and a member firm.

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

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 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:

Three (3) Pre-hearing sessions with Panel @ \$1,125.00 per session = \$3,375.00

Pre-hearing conferences:	September 26, 2005	1 session
	February 16, 2006	1 session
	May 30, 2006	1 session

Total Forum Fees	= \$3,375.00
------------------	--------------

The Panel has assessed \$1,687.50 of the forum fees to Claimants, jointly and severally.
The Panel has assessed \$1,687.50 of the forum fees to Respondent FMS.

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 assessed during these proceedings.

Fee Summary

Claimants are jointly and severally liable for:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$1,687.50
<hr/> Total Fees	<hr/> = \$1,987.50
Less payments	= \$1,425.00
Balance Due NASD Dispute Resolution	= \$ 562.50

Respondent FMS is solely liable for:

Member Fees	= \$5,200.00
Forum Fees	= \$1,687.50
<hr/> Total Fees	<hr/> = \$6,887.50
Less payments	= \$5,200.00
Balance Due NASD Dispute Resolution	= \$1,687.50

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

ARBITRATION PANEL

<i>Donald M. Macdonald</i>	-	<i>Public Arbitrator, Presiding Chairperson</i>
<i>Thomas G. Moore</i>	-	<i>Public Arbitrator</i>
<i>John R. Kiefner, Jr., Esq.</i>	-	<i>Non-Public Arbitrator</i>

Concurring Arbitrators' Signatures

/s/
Donald M. Macdonald
Public Arbitrator, Presiding Chairperson

June 5, 2006
Signature Date

/s/
Thomas G. Moore
Public Arbitrator

June 5, 2006
Signature Date

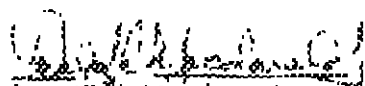
/s/
John R. Kiefner, Jr., Esq.
Non-Public Arbitrator

June 6, 2006
Signature Date

June 6, 2006
Date of Service (For NASD Dispute Resolution use only)

Not Dispute Resolution
Not Binding on the Parties
Send Page 1 to:

Concurring Arbitrators' Signatures



David M. Macdonald
Public Arbitrator, Presiding Chairperson

6/12/2006
Signature Date

Thomas G. Moore
Public Arbitrator

Signature Date

John R. Kietner, Jr. Esq.
Non Public Arbitrator

Signature Date

Date of Service (For NASD Dispute Resolution use only)

Concurring Arbitrators' Signatures

Donald M. Macdonald
Public Arbitrator, Presiding Chairperson



Thomas G. Moore
Public Arbitrator

Signature Date



Signature Date

John R. Kiefner, Jr., Esq.
Non-Public Arbitrator

Signature Date

Date of Service (For NASD Dispute Resolution use only)

Jun. 2. 2006 10:37AM NASD

No. 2511 P. 6/6

NASD Dispute Resolution
Arbitration No. 04-08480
Award Page 5 of 5

Concurring Arbitrators' Signatures

Donald M. Macdonald
Public Arbitrator, Presiding Chairperson

Signature Date

Thomas G. Moore
Public Arbitrator

Signature Date



John R. Kiefner, Jr., Esq.
Non-Public Arbitrator

6/2/06

Signature Date

Date of Service (For NASD Dispute Resolution use only)