
**Stipulated Award
NASD Dispute Resolution**

In the Matter of the Arbitration Between:

Names of the Claimants

Sophie Seitchik, Individually
Sophie Seitchik, Trustee

Case Number: 05-00578

Names of the Respondents

Bainco International Investors, LLC
Newbury Street Capital, L.P.
Robert G. Katz
Nancy von Stackelberg

Hearing Site: Boca Raton, Florida

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

REPRESENTATION OF PARTIES

For Sophie Seitchik, Individually and Sophie Seitchik, Trustee, hereinafter referred to as "Claimants": Eugene Michael Kennedy, Esq., Law Offices of Kennedy & Schwartz, Fort Lauderdale, Florida.

For Bainco International Investors, LLC ("BII"), Newbury Street Capital, L.P. ("Newbury"), Robert G. Katz ("Katz") and Nancy von Stackelberg ("von Stackelberg"), hereinafter referred to as "Respondents": Christopher Litterio, Esq., Ruberto, Israel & Weiner, P.C., Boston, Massachusetts.

CASE INFORMATION

Statement of Claim filed on or about: January 21, 2005.
Claimant signed the Uniform Submission Agreement: November 1, 2004.
Statement of Answer filed by Respondents on or about: June 24, 2005.
Respondent BII signed the Uniform Submission Agreement: June 23, 2005.
Respondent Newbury signed the Uniform Submission Agreement: June 23, 2005.
Respondent Katz signed the Uniform Submission Agreement: June 23, 2005.
Respondent von Stackelberg signed the Uniform Submission Agreement: June 23, 2005.

CASE SUMMARY

Claimants asserted the following causes of action: 1) securities fraud; 2) rescission under Section 29(b) of the Securities Exchange Act of 1934; 3) unsuitability; 4) common law fraud; 5) breach of fiduciary duty; 6) negligence; 7) negligent supervision; 8) respondeat superior; and, 9) control person liability. The causes of action relate to the purchase of various unspecified securities in Claimants' accounts.

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 compensatory damages in the amount of \$450,000.00, interest, attorneys' fees, costs, loss of prospective advantage and economic opportunities and such other relief as this Panel deemed appropriate and fitting.

Respondents requested that the Statement of Claim be dismissed in its entirety, and an award of costs and attorney's fees. In addition, Respondents requested that the Panel enter an order expunging this matter from their NASD Central Registration Depository (the "CRD") records.

OTHER ISSUES CONSIDERED AND DECIDED

On or about January 9, 2006, the parties filed a joint Stipulation of Dismissal, without prejudice, of Respondent Katz.

On or about March 14, 2006, Claimants notified NASD Dispute Resolution that they had settled this matter with the remaining Respondents.

On or about March 21, 2006, the parties advised NASD Dispute Resolution that they will be submitting a proposed Stipulated Award with a request for expungement of the NASD CRD records of Respondents Katz and von Stackelberg.

On or about April 5, 2006, the parties submitted a proposed Stipulated Award with a request for expungement of the NASD CRD records of Respondent Katz and von Stackelberg.

The parties stated that Respondent Katz was dismissed, without prejudice, prior to settlement because he was not involved with the alleged sales practice violation. Respondent Von Stackelberg was dismissed, with prejudice, as a result of the settlement between the parties. The parties are in agreement that Respondent von Stackelberg was not involved in the alleged sales violation as she was acting in her capacity as an investment advisor and not as a registered representative. Claimant and Respondent Newbury have entered into a confidential settlement agreement.

On or about April 19, 2006, the Panel requested additional information from the parties regarding Respondent von Stackelberg's position as an investment advisor as opposed to a registered representative. Pursuant to this request, on or about April 26, 2006, the parties submitted correspondence explaining their position on the difference between an investment advisor and a registered representative.

On May 5, 2006, the Panel held a deliberation hearing on the parties' expungement requests. The Panel determined that they would grant the request for expungement as to Respondent Katz, however, they denied the request as to Respondent von Stackelberg.

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

AWARD

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

The parties entered into an agreement to present to the Panel a Stipulated Award. Now, in lieu of a hearing and upon motion of Respondents for entry of a Stipulated Award and the written stipulation thereto, the Panel hereby grants the motion as to Respondent Katz and enters this award granting the following relief:

1. Each party shall bear its own costs and expenses with the exception of NASD fees, which shall be assessed by the Panel.
2. Pursuant to NASD Rule 2130, the Panel makes the express finding that Respondent Katz was not involved in the alleged sales practice violation and, therefore, the Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Katz's registration records maintained by the NASD CRD, with the understanding that pursuant to NASD Notices to Members 99-09 and 99-54, Respondent Katz must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.
3. Unless specifically waived in writing by the 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.
4. Any and all claims for relief not specifically addressed herein, including the parties' requests for attorneys' fees and the parties' request for expungement of Respondent von Stackelberg's NASD CRD record, 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 = \$ 300.00

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. Accordingly, Respondent Newbury is a party to this dispute and was a member of NASD at the time the following fees were assessed:

Member surcharge = \$ 1,700.00

Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$ 2,750.00
Total Member Fees	= \$ 5,200.00

Adjournment Fees

No requests for adjournments were filed 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 cancellation fees were assessed in this matter.

Injunctive Relief Fees

No injunctive relief fees were incurred during this proceeding.

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:

One (1) Pre-hearing session with the Panel @ \$1,125.00	= \$1,125.00
Pre-hearing conference: September 14, 2005 1 session	
Total Forum Fees	= \$1,125.00

The Panel has assessed \$562.50 of the forum fees jointly and severally to Claimants.
The Panel has assessed \$562.50 of the forum fees jointly and severally to Respondents.

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 this proceeding.

Fee Summary

Claimants are jointly and severally liable for:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$ 562.50
Total Fees	= \$ 862.50
Less payments	= \$ 862.50
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondent Newbury is solely liable for:

<u>Member Fees</u>	= \$ 5,200.00
<u>Total Fees</u>	= \$ 5,200.00
<u>Less payments</u>	= \$ 5,200.00
<u>Balance Due NASD Dispute Resolution</u>	= \$ 0.00

Respondents are jointly and severally liable for:

<u>Forum Fees</u>	= \$ 562.50
<u>Total Fees</u>	= \$ 562.50
<u>Less payments</u>	= \$ 0.00
<u>Balance Due NASD Dispute Resolution</u>	= \$ 562.50

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

ARBITRATION PANEL

<i>Debra S. Herman, Esq.</i>	-	<i>Public Arbitrator, Presiding Chairperson</i>
<i>William James Russell, Jr.</i>	-	<i>Public Arbitrator</i>
<i>Steven M. Greenbaum, Esq.</i>	-	<i>Non-Public Arbitrator</i>

Concurring Arbitrators' Signatures

/s/
Debra S. Herman, Esq.
Public Arbitrator, Presiding Chairperson

05/14/06
Signature Date

/s/
William James Russell, Jr.
Public Arbitrator

05/15/06
Signature Date

/s/
Steven M. Greenbaum, Esq.
Non-Public Arbitrator

05/15/06
Signature Date

05/18/06
Date of Service (For NASD Dispute Resolution office use only)

Respondent Newbury is solely liable for:

Member Fees	= \$ 5,200.00
Total Fees	= \$ 5,200.00
Less payments	= \$ 5,200.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondents are jointly and severally liable for:

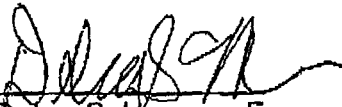
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Debra S. Herman, Esq.
Public Arbitrator, Presiding Chairperson

5/14/06
Signature Date

William James Russell, Jr.
Public Arbitrator

Signature Date

Steven M. Greenbaum, Esq.
Non-Public Arbitrator

Signature Date

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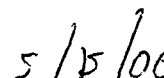
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Debra S. Herman, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date



William James Russell, Jr.



Signature Date

Public Arbitrator

Steven M. Greenbaum, Esq.
Non-Public Arbitrator

Signature Date

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William James Russell, Jr.	-	Public Arbitrator
Steven M. Greenbaum, Esq.	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

Debra S. Herman, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date

William James Russell, Jr.
Public Arbitrator

Signature Date


Steven M. Greenbaum, Esq.
Non-Public Arbitrator

May 15, 2006
Signature Date

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