

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

The Allen W. Love Life Insurance Trust, Claimant v. Mony Life Insurance Company,
The Mony Group, and William G. Stafford, Respondents

Case Number: 05-00936

Hearing Site: Los Angeles, California

Nature of the Dispute: Customer v. Non-Members and Associated Person

REPRESENTATION OF PARTIES

For Claimant: Michael E. Reznick, Esq.
Hess-Verdon & Associates
Newport Beach, California

For Respondents: Steven J. Joffe, Esq.
David D. Kremenetsky, Esq.
Wilson, Elser, Moskowitz, Edelman & Dicker LLP
Los Angeles, California

CASE INFORMATION

Statement of Claim filed: February 22, 2005

Claimant's Uniform Submission Agreement signed: February 13, 2005

Joint Statement of Answer filed by Respondents: June 30, 2005

CASE SUMMARY

Claimant alleged breach of contract, negligence, fraud and deceit, negligent misrepresentation, conversion, unfair business practices, and financial elder abuse, involving an irrevocable life insurance trust funded by a variable life insurance policy.

Respondents denied the allegations of wrongdoing set forth in the Claimant's Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

Claimant requested injunctive relief, declaratory relief, \$1,000,000.00 in compensatory damages, unspecified punitive damages, prejudgment interest, the imposition of a constructive trust for the benefit of Claimant with respect to all wrongfully obtained money, restitution and disgorgement of all wrongfully obtained money, and costs, including attorney's fees.

Respondents requested dismissal of the Claimant's Statement of Claim in its entirety and costs.

OTHER ISSUES CONSIDERED AND DECIDED

Respondent William G. Stafford did not file with NASD Dispute Resolution a properly executed submission agreement, but is required to submit to arbitration pursuant to the NASD Code of Arbitration Procedure ("Code") and, having answered the claim, appeared and testified at the hearing, is bound by the determination of the Panel on all issues submitted.

Respondents Mony Life Insurance Company and The Mony Group did not file with NASD Dispute Resolution properly executed submission agreements. However, Respondents Mony Life Insurance Company and The Mony Group were compelled to arbitration by the Orange County Superior Court in case number 04CC06763. In addition, on the record at the evidentiary hearing, Respondents Mony Life Insurance Company and The Mony Group's counsel stipulated to the jurisdiction of NASD Dispute Resolution to hear the matters submitted.

The parties 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, testimony, and evidence presented at the hearing, the Panel decided in full and final resolution of the issues submitted for determination as follows:

- 1) Claimant's claims are denied in their entirety.
- 2) The parties shall bear their respective costs, including attorney's fees.
- 3) All other relief requested and not expressly granted is denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution received or will collect the non-refundable filing fees for each claim as follows:

Initial claim filing fee	= \$ 375.00
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Member Fees

Member fees are assessed to each member firm that is either a party in the matter or an employer of a respondent associated person at the time of the events that gave rise to the dispute, claim, or controversy. Accordingly, the member firm Mony Securities Corporation employed Respondent William G. Stafford at the time of the events giving rise to this dispute and the following fees are assessed:

Member Surcharge	= \$ 2,250.00
Pre-Hearing Process Fee	= \$ 750.00
Hearing Process Fee	= \$ 4,000.00
Total Member Fees	= \$ 7,000.00

Adjournment Fees

The following adjournment fees are assessed:

March 13-17, 2006 hearing adjournment requested by Claimant	= \$ 1,200.00
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1. The Panel assessed \$600.00 of the adjournment fees to Claimant.
2. The Panel assessed \$600.00 of the adjournment fees jointly and severally to Respondents.

Forum Fees and Assessments

The Panel 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 hours or less. Fees associated with these proceedings are:

1 Pre-hearing conference session with the Panel @ \$1,200.00/session	= \$ 1,200.00
Pre-hearing conference: October 13, 2005	1 session

9 Hearing sessions @ \$1,200.00/session	= \$10,800.00
Hearings: May 15, 2006	2 sessions
May 16, 2006	2 sessions
May 17, 2006	2 sessions
May 18, 2006	2 sessions
May 19, 2006	1 session

Total Forum Fees	= \$12,000.00
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1. The Panel assessed \$6,000.00 of the forum fees to Claimant.
2. The Panel assessed \$6,000.00 of the forum fees jointly and severally to Respondents.

Fee Summary

1. Claimant is charged with the following fees and costs:

Initial Filing Fee	= \$ 375.00
Adjournment Fee	= \$ 600.00
Forum Fees	= \$ 6,000.00
<u>Total Fees</u>	<u>= \$ 6,975.00</u>
<u>Less payments</u>	<u>= \$(1,575.00)</u>
Balance Due NASD Dispute Resolution	= \$ 5,400.00

2. Respondents are charged jointly and severally with the following fees and costs:

Adjournment Fee	= \$ 600.00
Forum Fees	= \$ 6,000.00
<u>Total Fees</u>	<u>= \$ 6,600.00</u>
<u>Less payments</u>	<u>= \$(0.00)</u>
Balance Due NASD Dispute Resolution	= \$ 6,600.00

3. Mony Securities Corporation is charged with the following fees and costs:

Member Fees	= \$ 7,000.00
<u>Less payments</u>	<u>= \$(7,000.00)</u>
Balance Due NASD Dispute Resolution	= \$ 0.00

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

ARBITRATION PANEL

Daniel David Kopman	-	Public Arbitrator, Presiding Chair
Charles L. Repp, Jr.	-	Public Arbitrator
Russell T. Doe	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures



Daniel David Kopman
Chair, Public Arbitrator

5/22/06

Signature Date

Charles L. Repp, Jr.
Public Arbitrator

Signature Date

Russell T. Doe
Non-Public Arbitrator

Signature Date

May 23, 2006

Date of Service

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