

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimant
Gus T. Skarlis

Case Number: 05-01318

Name of the Respondents
Philip D. Roebuck;
Equitrade Securities Corporation;
Stephen H. Roebuck; and,
Kim Sang Carroll

Hearing Site: Chicago, Illinois

NATURE OF THE DISPUTE

Public Customer vs. Member Firm and Associated Persons

REPRESENTATION OF PARTIES

Claimant Gus T. Skarlis, hereinafter referred to as "Claimant": Louis F. Doyle, Esq., of the Law Office of Louis F. Doyle, located in San Martin, California.

Respondent Philip D. Roebuck (P. Roebuck") appeared pro se.

Respondents Equitrade Securities Corporation ("Equitrade") and Kim Sang Carroll ("Carroll") did not appear.

Respondent Stephen H. Roebuck ("S. Roebuck") appeared prose.

CASE INFORMATION

Statement of Claim filed: March 11, 2005.

Claimant signed the Uniform Submission Agreement: February 23, 2005.

Statement of Answer filed by Respondent P. Roebuck on: June 7, 2005.

Respondent P. Roebuck signed the Uniform Submission Agreement: May 10, 2005.

Respondents Equitrade and Carroll did not file a Statement of Answer or a signed Uniform Submission Agreement.

Statement of Answer filed by Respondent S. Roebuck on: February 15, 2006.

Respondent S. Roebuck signed the Uniform Submission Agreement: February 27, 2005.

CASE SUMMARY

Claimant asserted the following causes of action: failure to supervise; breach of fiduciary duty; unsuitable recommendations; inappropriate investment advice; and, failure to communicate the risks. These causes of action related to the purchase of stock in Universal Alliance in anticipation of its anticipated merger with Bio American Capital Corp. The merger did not happen, causing the alleged losses.

Unless specifically admitted in his Answer, Respondent P. Roebuck denied the allegations made in the Statement of Claim and asserted that he never solicited or recommended the trades complained of by the Claimant.

Unless specifically admitted in his Answer, Respondent S. Roebuck denied the allegations made in the Statement of Claim and asserted that the Claimant was defrauded by a third-party not affiliated with the Respondents.

RELIEF REQUESTED

Claimant requested:

Compensatory Damages	\$103,250.00
Punitive Damages	As determined by the Panel
Interest	6% per year for five years
Attorneys' Fees	As determined by the Panel
Other Costs	\$5,000.00 for management fees, expert witness fees, filing fees and hearing deposits

At the hearing, the Panel granted Claimant's Request that they consider RICO damages.

Respondent P. Roebuck requested that the claim be dismissed.

Respondent S. Roebuck requested that the claim be dismissed.

OTHER ISSUES CONSIDERED AND DECIDED

This matter was originally to be heard in Des Moines, Iowa. At the Initial Pre-Hearing Conference held on September 23, 2005, the parties and Panel agreed that hearing would be held in Chicago, Illinois.

Upon review of the file and the representations made on behalf of the Claimant, the undersigned arbitrators determined that Respondent Kim Sang Carroll was properly served with the Statement of Claim and received due notice of the hearing, and that arbitration of the matter would proceed without said Respondent present, in accordance with the NASD Code of Arbitration Procedure (the "Code").

Upon review of the file and the representations made on behalf of the Claimant, the undersigned arbitrators determined that Respondent Equitrade Securities Corporation was not properly served with the Statement of Claim and did not receive due notice of the hearing. Therefore, the claims asserted against this Respondent were dismissed without prejudice.

Respondent Carroll did not file with NASD Dispute Resolution, a properly executed submission to arbitration but is required to submit to arbitration pursuant to the Code and is bound by the determination of the Panel on all issues submitted.

At hearing on June 7, 2006, Respondent S. Roebuck presented his Motion to Dismiss Due to the Statute of Limitations. After consideration of the Motion and the arguments presented by the parties, the Panel determined that the Motion was granted. The claims against Stephen H. Roebuck were dismissed.

During the hearing, Claimant twice moved that the Panel reconsider their decision to dismiss Stephen H. Roebuck. The Panel denied the Motion both times it was introduced.

Prior to closing the record, Claimant requested that the Panel consider RICO claims in their award. The Panel granted this request and determined that RICO claims were eligible for consideration during their deliberations.

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:

1. The claims against Respondents Philip D. Roebuck and Kim Sang Carroll are dismissed and denied with prejudice;
2. The claims against Respondent Stephen H. Roebuck are dismissed with prejudice;
3. The claims against Respondent Equitrade Securities Corporation are dismissed without prejudice;
4. The parties shall bear their own costs of arbitration, including any attorneys' fees, except for the sums specifically enumerated in this decision; and,
5. Any and all relief not specifically addressed herein, including punitive and/or treble damages, is 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 = \$ 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 persons at the time of the events giving rise to the dispute. Accordingly, Equitrade Securities Corporation is a party and the following member fees were assessed:

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:

January 10-12, 2006 adjournment by Claimant = \$ 1,125.00

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 Panel @ \$1,125 = \$ 1,125.00
Pre-hearing conference: September 23, 2005 1 session

Three (3) Hearing sessions @ \$1,125 = \$ 3,375.00
Hearing Dates: June 6, 2006 2 sessions
June 7, 2006 1 session

Total Forum Fees = \$ 4,500.00

The Panel has assessed \$4,500.00 of the forum fees to the Claimant, Gus T. Skarlis.

FEE SUMMARY

Claimant Gus T. Skarlis is solely liable for:

Initial Filing Fee = \$ 300.00
Adjournment Fee = \$ 1,125.00
Forum Fees = \$ 4,500.00

Total Fees = \$ 5,925.00

<u>Less payments</u>	<u>= \$ 1,425.00</u>
Balance Due NASD Dispute Resolution	= \$ 4,500.00

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

ARBITRATION PANEL

Thomas Robert Riek - Public Arbitrator, Presiding Chairperson
Donald W. Cohen, Esq. - Public Arbitrator
Douglas A. Spier - Non-Public Arbitrator

Concurring Arbitrators' Signatures

Thomas Robert Riek
Public Arbitrator, Presiding Chairperson

Signature Date

Donald W. Cohen, Esq.
Public Arbitrator

Signature Date

Douglas A. Spier
Non-Public Arbitrator

Signature Date

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

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Thomas R. Riek
Thomas Robert Riek
Public Arbitrator, Presiding Chairperson

6-13-2006
Signature Date

Donald W. Cohen, Esq.
Public Arbitrator

Signature Date

Douglas A. Spier
Non-Public Arbitrator

Signature Date

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Signature Date

Donald W. Cohen
Donald W. Cohen, Esq.
Public Arbitrator

6/13/06
Signature Date

Douglas A. Spier
Non-Public Arbitrator

Signature Date

June 13, 2006 U4
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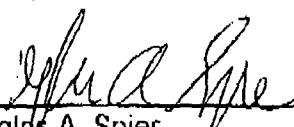
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Signature Date

Donald W. Cohen, Esq.
Public Arbitrator

Signature Date



Douglas A. Spier
Non-Public Arbitrator

6/13/06

Signature Date

June 13, 2006 m h

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