
Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Names of the Claimants

James Reid, an individual
Susan J. Reid, an individual

Case Number: 05-01593

Names of the Respondents

Cambridge Investment Research, Inc., a corporation
Mutual Service Corporation, a corporation
La Salle Street Securities Inc., a corporation
Securities Service Network, a corporation
Scott Olson, an individual

Hearing Site: Orlando, Florida

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

REPRESENTATION OF PARTIES

For James Reid, an individual, and Susan J. Reid, an individual, hereinafter collectively referred to as "Claimants": James M. Riley, Esq., Rogers Towers, P.A., Jacksonville, Florida.

For Respondent Cambridge Investment Research, Inc., a corporation ("CIR"): Eric McAliley, Esq., Rumberger, Kirk & Caldwell, Miami, Florida.

For Respondents Mutual Service Corporation, a corporation ("MSC") and Scott Olson, an individual ("Olson"): Peter B. King, Esq. and Lindsey R. Trowell, Esq., Tate, Lazarini Brady & Guerra, PLC, Tampa, Florida.

For Respondent La Salle Street Securities Inc., a corporation ("LSS"): Scott Barlow, La Salle Street Securities Inc., Chicago, Illinois, appeared as its representative.

For Respondent Securities Service Network, a corporation ("SSN"): Ronald T. Klimas, Securities Service Network, Knoxville, Tennessee, appeared as its representative.

CASE INFORMATION

Statement of Claim filed on or about: March 30, 2005.

Claimants signed the Uniform Submission Agreement: March 30, 2005.

Statement of Answer filed by Respondent CIR on or about: June 20, 2005.

Statement of Answer and Motion for More Definite Statement filed by Respondent SSN on or about April 11, 2005.

Statement of Answer filed by Respondents MSC and Olson on or about: June 20, 2005.

Respondent LSS did not file a Statement of Answer of a signed Uniform Submission Agreement.

Respondent MSC signed the Uniform Submission Agreement: April 14, 2005.
Respondent Olson signed the Uniform Submission Agreement: April 14, 2005.
Respondent SSN signed the Uniform Submission Agreement: April 11, 2005.
Respondent CIR signed the Uniform Submission Agreement: May 24, 2005.

CASE SUMMARY

Claimants asserted the following causes of action: 1) unsuitability; 2) breach of fiduciary duty 3) negligence; 4) negligent supervision; and, 5) breach of contract. The causes of action relate to the purchase of various unspecified securities in Claimants' accounts.

Unless specifically admitted in their Answers, 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 \$600,000.00, interest, costs and any other relief the Panel deemed just and appropriate.

Respondent CIR requested that the Statement of Claim be denied in its entirety and an award of whatever and further relief that the Panel deemed warranted by the pleadings and the evidence.

Respondents MSC and Olson requested that the Statement of Claim be dismissed in its entirety and an award of costs and attorneys' fees.

Respondent SSN requested that the Statement of Claim be dismissed and an award of costs.

OTHER ISSUES CONSIDERED AND DECIDED

Respondent LSS did not file with NASD Dispute Resolution a properly executed Uniform Submission Agreement but is required to submit to arbitration pursuant to the NASD Code of Arbitration Procedure (the "Code") and is bound by the determination of the Panel on all issues submitted.

On or about April 29, 2005, Claimants filed with NASD Dispute Resolution a notice of dismissal of their claims against Respondent LSS.

On or about August 24, 2005, Claimants filed with NASD Dispute Resolution a notice of dismissal of their claims against Respondent SSN.

On or about September 12, 2006, Claimants advised NASD Dispute Resolution that they had resolved this matter with the remaining Respondents and filed a Notice of Dismissal as to these Respondents. Pursuant to this, NASD Dispute Resolution closed this case on September 18, 2006.

On or about September 19, 2006, Respondent Olson filed a Motion to Re-open this matter and a proposed Stipulated Award for the sole purpose of obtaining expungement of his NASD Central

Registration Depository (the "CRD") record.

On December 5, 2006, a telephonic hearing was held to determine the merits of Respondent Olson's request for expungement of his NASD CRD record.

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

The parties entered into an agreement to present to the Panel a Stipulated Award. Now, upon motion of both parties for an entry of an award, the written stipulation thereto, the Panel grants the motion and enters this award granting the following relief:

All claims for relief asserted by Claimants, or that could have been asserted by Claimants, in this matter, are dismissed, with prejudice.

Pursuant to NASD Rule 2130, the Panel made the affirmative finding that the claims alleged against Respondent Olson are false.

The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Olson's registration records maintained by the NASD CRD, with the understanding that pursuant to NASD Notices to Members 04-16, Respondent Olson must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

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.

The parties shall bear their own attorneys' fees and costs.

Any and all claims for relief not specifically addressed herein, are 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 = \$ 375.00

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 MSC is a party to this dispute and was a member of NASD at the time the following fees were assessed:

Member surcharge	= \$ 2,250.00
Pre-hearing process fee	= \$ 750.00
<u>Hearing process fee</u>	<u>= \$ 4,000.00</u>
Total Member Fees	= \$ 7,000.00

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

Member surcharge	= \$ 2,250.00
Pre-hearing process fee	= \$ 750.00
<u>Hearing process fee</u>	<u>= \$ 4,000.00</u>
Total Member Fees	= \$ 7,000.00

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

Member surcharge	= \$ 2,250.00
<u>Pre-hearing process fee</u>	<u>= \$ 750.00</u>
Total Member Fees	= \$ 3,000.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

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

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.

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:

Two (2) Pre-hearing sessions with the Panel @ \$1,200.00/session = \$2,400.00
Pre-hearing conferences: August 25, 2005 1 session
October 13, 2005 1 session

One (1) Hearing session with the Panel @ \$1,200.00/session = \$1,200.00
Hearing Date: December 5, 2006 1 session

Total Forum Fees = \$3,600.00

The Panel has assessed \$1,800.00 of the forum fees jointly and severally to Claimants.
The Panel has assessed \$1,200.00 of the forum fees jointly and severally to Respondents MSC, CIR and Olson.
The Panel has assessed \$600.00 of the forum fees jointly and severally to Respondents CIR and Olson.

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	= \$ 375.00
Forum Fees	= \$ 1,800.00
Total Fees	= \$ 2,175.00
Less payments	= \$ 1,575.00
Balance Due NASD Dispute Resolution	= \$ 600.00

Respondent MSC is solely liable for:

Member Fees	= \$ 7,000.00
Total Fees	= \$ 7,000.00
Less payments	= \$ 7,000.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondent CIR is solely liable for:

Member Fees	= \$ 7,000.00
Total Fees	= \$ 7,000.00
Less payments	= \$ 7,000.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondent SSN is solely liable for:

Member Fees	= \$ 3,000.00
Total Fees	= \$ 3,000.00

<u>Less payments</u>	= \$ 3,000.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondents MSC, CIR and Olson are jointly and severally liable for:

<u>Forum Fees</u>	= \$ 1,200.00
<u>Total Fees</u>	= \$ 1,200.00
<u>Less payments</u>	= \$ 1,200.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondents CIR and Olson are jointly and severally liable for:

<u>Forum Fees</u>	= \$ 600.00
<u>Total Fees</u>	= \$ 600.00
<u>Less payments</u>	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$ 600.00

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

ARBITRATION PANEL

<i>Patricia Gunn Zimmerman, CPA</i>	-	<i>Public Arbitrator, Presiding Chairperson</i>
<i>Constance K. Barron</i>	-	<i>Public Arbitrator</i>
<i>John A. Bevier</i>	-	<i>Non-Public Arbitrator</i>

Concurring Arbitrators' Signatures

/s/
Patricia Gunn Zimmerman, CPA
Public Arbitrator, Presiding Chairperson

12/11/06
Signature Date

/s/
Constance K. Barron
Public Arbitrator

12/11/06
Signature Date

/s/
John A. Bevier
Non-Public Arbitrator

12/11/06
Signature Date

12/11/06
Date of Service (For NASD Dispute Resolution office use only)

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<u>Less payments</u>	= \$ 3,000.00
<u>Balance Due NASD Dispute Resolution</u>	= \$ 0.00

Respondents MSC, CIR and Olson are jointly and severally liable for:

<u>Forum Fees</u>	= \$ 1,200.00
<u>Total Fees</u>	= \$ 1,200.00
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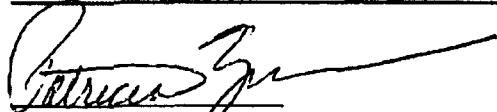
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Public Arbitrator, Presiding Chairperson

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Public Arbitrator

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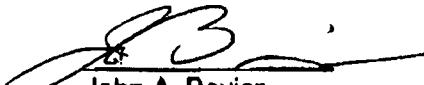
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