

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Wachovia Securities, LLC (Claimant) vs. George Hovsepian, Jr. (Respondent)

Case Number: 05-02253

Hearing Site: Boston, Massachusetts

Nature of the Dispute: Member vs. Associated Person

REPRESENTATION OF PARTIES

Claimant Wachovia Securities, LLC ("Wachovia") hereinafter referred to as "Claimant":
Douglas D. Callaway, Esq., Wachovia Securities, LLC, Richmond, VA.

Respondent Hovsepian appeared *pro se*.

CASE INFORMATION

Statement of Claim filed on or about: April 28, 2005.

Claimant signed the Uniform Submission Agreement: April 27, 2005.

Answer to the Statement of Claim and Counterclaim filed on or about: June 9, 2005.

Respondent did not file a Uniform Submission Agreement.

CASE SUMMARY

Claimant asserted the following causes of action: breach of contract and breach of promissory note.

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

In his Counterclaim Respondent asserted the following causes of action: promise of partnership opportunities and failure to provide a sales assistant.

Unless specifically admitted in its Answer, Claimant denied the allegations made in the Counterclaim and asserted various affirmative defenses.

RELIEF REQUESTED

Claimant requested compensatory damages in the amount of \$46,890.60, interest at the rate of 5% per annum, costs, attorney's fees, and for such other relief as the Panel may deem just and proper.

Respondent requested \$500,000.00 in compensatory damages.

OTHER ISSUES CONSIDERED AND DECIDED

Respondent Hovsepian did not file with NASD Dispute Resolution a properly executed Uniform Submission Agreement but is required to submit to arbitration pursuant to the Code and having answered the claim, appeared and testified at the hearing, is bound by the determination of the Panel on all issues 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, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. Respondent is liable for and shall pay to Claimant \$46,890.00 in compensatory damages.
2. Respondent's Counterclaim is denied.
3. Any and all relief not specifically addressed herein 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	= \$	1,000.00
Counterclaim 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, Wachovia Securities, LLC is a party.

Member surcharge	= \$	875.00
Pre-hearing process fee	= \$	750.00
Hearing process fee	= \$	2,750.00

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

Two (2) Hearing sessions with Panel @ \$1,125.00 per session	= \$2,250.00
May 19, 2006 2 sessions	
Total Forum Fees	= \$3,375.00

1. The Panel has assessed \$3,375.00 of the forum fees against the Claimant.

Fee Summary

1. Claimant is solely liable for:

Initial Filing Fee	= \$ 1,000.00
Member Fees	= \$ 4,375.00
Forum Fees	= \$ 3,375.00
Total Fees	= \$ 8,750.00
Less payments	= \$ 4,225.00
Balance Due NASD Dispute Resolution	= \$ 4,525.00

2. Respondent is solely liable for:

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

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

ARBITRATION PANEL

Christine Armstrong, Esq.
Thomas L. Kennedy, CPA
Joseph J. Slotnick

- - Public Arbitrator, Presiding Chairperson
- - Public Arbitrator
- - Non-Public Arbitrator

Concurring Arbitrators' Signatures



Christine Armstrong, Esq.
Public Arbitrator, Presiding Chairperson

5-31-06

Signature Date

Thomas L. Kennedy, CPA
Public Arbitrator

Signature Date

Joseph J. Slotnick
Non-Public Arbitrator

Signature Date

June 1, 2006

Date of Service (For NASD Dispute Resolution use only)

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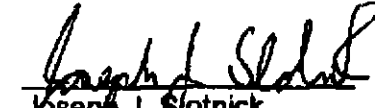
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