

Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

F. Allen Blagden (Claimant) v. Todd Bray and Calton & Associates, Inc. (Respondents)

Case Number: 05-02450

Hearing Site: Hartford, Connecticut

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

REPRESENTATION OF PARTIES

Claimant F. Allen Blagden hereinafter referred to as "Claimant": William C. Rand, Esq., Law Offices of William Coudert Rand, New York, NY.

Respondents Todd Bray ("Bray") and Calton & Associates, Inc. ("Calton"), hereinafter collectively referred to as "Respondents": Robert Persante, Esq., Persante McCormack, Clearwater, FL.

CASE INFORMATION

Statement of Claim filed on or about: May 5, 2005.

Claimant signed the Uniform Submission Agreement: May 5, 2005.

Joint Statement of Answer filed by Respondents on or about: July 20, 2005

Respondent Bray signed the Uniform Submission Agreement: August 8, 2005.

Respondent Carlton signed the Uniform Submission Agreement: August 9, 2005.

CASE SUMMARY

Claimant asserted the following causes of action: unfair dealing; breach of fiduciary duty; negligence; breach of contract; violation of Federal Securities laws and common law fraud; aiding and abetting fraud; failure to supervise; violation of New York's Deceptive Business Statute; estoppel; misrepresentation; suitability; churning; control person liability, and respondeat superior. The causes of action relate to the purchase and trading in various internet and technology securities on margin.

Unless specifically admitted in their Answer, Respondents denied the allegations of wrongdoing set forth in the Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

Claimant requested compensatory damages in the amount of \$650,000.00, interest at the legal rate of 9% per annum from May 1, 2001 through the date of award, punitive damages in the amount of \$350,000.00, costs, including expert witness fees, filing fees, hearing costs, attorneys' fees, and such other and further relief the Panel deems just and proper.

Respondents requested dismissal of the Statement of Claim in its entirety, attorneys' fees, costs, forum fees, and expungement of Respondent Bray's CRD record.

OTHER ISSUES CONSIDERED AND DECIDED

On or about November 28, 2005, the parties notified NASD Dispute Resolution that the case settled and that the parties would be submitting a Stipulated Award for the Panel's consideration. In connection with the settlement, all parties to the proceeding have determined that Respondent Bray who serviced Claimant's accounts, has not done anything wrong, has not committed any of the wrongful acts alleged in the Statement of Claim and was not liable to Claimant under any of the claims advanced in the Statement of Claim.

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

The parties entered into an agreement to present to the Panel a Stipulated Award. Now, in lieu of a hearing and 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:

1. Claimant's claims are dismissed in their entirety.
2. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Todd Bray's registration records maintained by the Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 04-16, Respondent Todd Bray 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.

Pursuant to Rule 2130, the arbitration panel has made the following affirmative findings of fact:

The claim, allegation, or information is factually impossible or clearly erroneous.

3. Any and all relief not specifically addressed herein, including punitive 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	= \$ 375.00
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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. In this matter Calton & Associates, Inc., is a party.

Member Surcharge	= \$ 2,250.00
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Pre-Hearing Process Fee	= \$ 750.00
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Hearing Process Fee	= \$ 4,000.00
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Forum Fees and Assessments

The Panel assesses forum fees for each hearing session conducted. A hearing 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. Forum fees associated with these proceedings are:

One (1) Pre-hearing conference session with the Panel @ \$1,200.00 per session	= \$ 1,200.00
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Pre-hearing conference: October 3, 2005	1 session
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Total Forum Fees	= \$ 1,200.00
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1. The Panel has assessed Claimant \$600.00 of the forum fees.
2. The Panel has assessed Respondents, jointly and severally, \$600.00 of the forum fees.

Fee Summary

1. Claimant is solely liable for:

Initial Filing Fee	= \$ 375.00
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Forum Fees	= \$ 600.00
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Total Fees	= \$ 975.00
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Less payments	= \$ 1,575.00
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Refund Due Claimant	= \$ 600.00
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2. Respondent Calton is solely liable for:

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

3. Respondents are jointly and severally liable for:

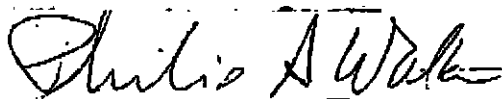
<u>Forum Fees</u>	= \$ 600.00
Total Fees	= \$ 600.00
<u>Less payments</u>	= \$ 600.00
Balance Due NASD Dispute Resolution	= \$ 0.00

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

ARBITRATION PANEL

Philip S. Walker	-	Public Arbitrator, Presiding Chair
Steven R. Rolnick, Esq.	-	Public Arbitrator
James Dale Murphy	-	Non-Public Arbitrator

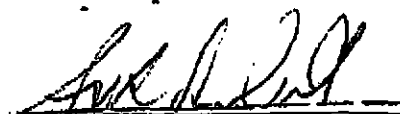
Concurring Arbitrators' Signatures



Philip S. Walker
Public Arbitrator, Presiding Chair



Signature Date



Steven R. Rolnick, Esq.
Public Arbitrator

4/25/06

Signature Date



James Dale Murphy
Non-Public Arbitrator

3/24/06

Signature Date

May 8, 2006

Date of Service (For NASD office use only)