

Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Names of the Claimants

Gwendolyn Jeter and
Virginia Whiteside

Case Number: 05-02621

Names of the Respondents

Royal Alliance Associates, Inc.,
John Owens Investment Management, Inc.
and John Owens, individually

Hearing Site: Birmingham, Alabama

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

REPRESENTATION OF PARTIES

For Gwendolyn Jeter and Virginia Whiteside, hereinafter collectively referred to as "Claimants": Andrew P. Campbell, Esq. and Caroline Smith Gidiere, Esq., Campbell Waller & Poer, L.L.C., Birmingham, Alabama.

For Royal Alliance Associates, Inc. ("Royal Alliance"), John Owens Investment Management, Inc. ("John Owens Investment"), and John Owens, individually ("Owens"), hereinafter collectively referred to as "Respondents": E. Britton Monroe, Esq., Mickey B. Wright, Esq. and Laura A. Moncrief, Esq., Lloyd Gray & Whitehead, P.C., Birmingham, Alabama.

CASE INFORMATION

Statement of Claim filed on or about: May 16, 2005.

Claimants signed the Uniform Submission Agreements: May 12, 2005.

Statement of Answer filed by Respondents on or about: July 25, 2005.

Respondent Royal Alliance signed the Uniform Submission Agreement: July 27, 2005.

Respondents John Owens Investment and Owens signed but did not date the Uniform Submission Agreements.

Respondent Royal Alliance's Motion to Sever the Claims of Claimant Gwendolyn Jeter from the Claims of Virginia Whiteside filed on or about: October 26, 2005.

Claimants' Opposition to Motion to Sever filed on or about: November 16, 2005.

CASE SUMMARY

Claimants asserted the following causes of action: negligence; breach of fiduciary duty; Alabama Securities Act; and, breach of contract. The causes of action relate to the purchase and sale of unspecified securities products, including mutual funds, in Claimants' accounts.

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

RELIEF REQUESTED

Claimants requested judgment against Respondents, plus interest and costs.

Respondents requested that all claims be dismissed with prejudice.

OTHER ISSUES CONSIDERED AND DECIDED

Respondent John Owens Investment is not a member firm of NASD but having voluntarily submitted to the jurisdiction of NASD, filed an executed Uniform Submission Agreement and answered the claim is bound by the determination of the Panel on all issues submitted.

On or about September 1, 2005, Claimants filed a Motion to Quash Subpoenas issued by Respondents. On or about September 12, 2005, Respondents filed their Motion to Compel Issuance of Subpoenas. On or about October 7, 2005, the chairperson issued an order which granted Respondents' Motion to Compel Issuance of Subpoenas.

On or about November 22, 2005, the arbitration panel issued an order which denied Respondent Royal Alliance's Motion to Sever the Claims of Claimant Gwendolyn Jeter.

On or about January 20, 2006, Claimants advised NASD Dispute Resolution that the parties had reached a settlement.

On or about February 6, 2006, the parties filed with NASD Dispute Resolution a proposed Stipulated Award for execution by the arbitration panel.

The parties have agreed that the Stipulated Award in this matter may be executed in counterpart copies.

AWARD

After considering the pleadings and the record in this matter, the undersigned arbitrators (the "Panel") have decided in full and final resolution of the issues submitted for determination as follows:

Claimants' claims against Respondents are dismissed in their entirety with prejudice based on the settlement reached between the parties.

Each party shall bear their respective attorneys' fees, forum fees and other expenses already incurred. The parties are to share equally any fees and expenses assessed by NASD in this arbitration that have not been paid.

Any and all claims for relief not specifically addressed herein are denied and dismissed with prejudice.

FEES

Pursuant to the NASD Code of Arbitration Procedure (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 = \$250.00

Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firm(s) that employed the associated person(s) at the time of the event(s) giving rise to the dispute. In this matter, the member firm is a party.

Member surcharge = \$1,500.00

Pre-hearing process fee = \$750.00

Hearing process fee = \$2,200.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

No adjournment fees were assessed 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 three-day 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 in this matter.

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 a single arbitrator @ \$450.00 = \$450.00

Pre-hearing conference: October 7, 2005 1 session

One (1) Pre-hearing session with the Panel @ \$1,000.00 = \$1,000.00
Pre-hearing conference: September 19, 2005 1 session

Total Forum Fees = \$1,450.00

Pursuant to the agreement of the parties, the Panel has assessed \$725.00 of the forum fees to Claimants, jointly and severally, and \$725.00 of the forum fees to Respondents, jointly and severally.

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 are 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 in this matter.

FEE SUMMARY

Claimants are jointly and severally liable for:

Initial Filing Fee	= \$250.00
Forum Fees	= \$725.00

Total Fees	= \$975.00
Less payments	= \$975.00

Balance Due NASD Dispute Resolution	= \$0.00
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Respondent Royal Alliance is solely liable for:

Member Fees	= \$4,450.00
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Total Fees	= \$4,450.00
Less payments	= \$4,450.00

Balance Due NASD Dispute Resolution	= \$0.00
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Respondents are jointly and severally liable for:

Forum Fees	= \$725.00
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Total Fees	= \$725.00
Less payments	= \$0.00

Balance Due NASD Dispute Resolution	= \$725.00
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All balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to Rule

10330(g) of the Code.

ARBITRATION PANEL

James C. Hoover, Esq.	-	Public Arbitrator, Presiding Chair
J. Wesley Romine, Jr., Esq.	-	Public Arbitrator
William R. Hanlein	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

/S/
James C. Hoover, Esq.
Public Arbitrator, Presiding Chair

February 8, 2006
Signature Date

/S/
J. Wesley Romine, Jr., Esq.
Public Arbitrator

February 8, 2006
Signature Date

/S/
William R. Hanlein
Non-Public Arbitrator

February 7, 2006
Signature Date

February 9, 2006
Date of Service (For NASD Dispute Resolution office use only)

10330(g) of the Code.

ARBITRATION PANEL

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J. Wesley Romine, Jr., Esq.
William R. Hanlein

Public Arbitrator, Presiding Chair
Public Arbitrator
Non-Public Arbitrator

Concurring Arbitrators' Signatures

James C. Hoover, Esq.
Public Arbitrator, Presiding Chair

Signature Date

J. Wesley Romine, Jr., Esq.
Public Arbitrator

Signature Date

William R. Hanlein
William R. Hanlein
Non-Public Arbitrator

2/07/06
Signature Date

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

10330(g) of the Code.

ARBITRATION PANEL

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J. Wesley Romine, Jr., Esq. -
William R. Hanlein -

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Public Arbitrator
Non-Public Arbitrator

Concurring Arbitrators' Signatures

James C. Hoover, Esq.
Public Arbitrator, Presiding Chair

Signature Date

J. Wesley Romine, Jr., Esq.
Public Arbitrator

February 8, 2006
Signature Date

William R. Hanlein
Non-Public Arbitrator

Signature Date

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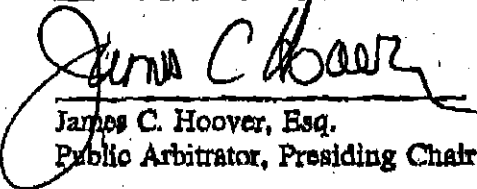
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Public Arbitrator
Non-Public Arbitrator

Concurring Arbitrators' Signatures


James C. Hoover, Esq.
Public Arbitrator, Presiding Chair

2/8/06

Signature Date

J. Wesley Romine, Jr., Esq.
Public Arbitrator

Signature Date

William R. Hanlein
Non-Public Arbitrator

Signature Date

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