

AWARD
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of Claimant/Counter-Respondent

The Allison-Williams Company

vs.

Case Number: 05-03568

Hearing Site: Minneapolis, Minnesota

Name of Respondent/Counter-Claimant

Stephen M. Vincent

and

Name of Third-Party Claimant

Stephen M. Vincent

vs.

Names of Third-Party Respondents

B&T, Inc. and Robert C. Tengdin

NATURE OF THE DISPUTE

Member vs. Associated Person and Associated Person vs. Non-Member and
Associated Person

REPRESENTATION OF PARTIES

The Allison-Williams Company ("**AWC**") was represented by Jonathan M. Harris, Esq. and Christopher A. Grgurich, Esq., Lindquist & Vennum, PLLP, Minneapolis, Minnesota.

Stephen M. Vincent ("**Vincent**") was represented by Lewis A. Remle, Esq., Bassford Remele, Minneapolis, Minnesota.

B&T, Inc. ("**B&T**") Robert C. Tengdin ("**Tengdin**") were represented by Jonathan M. Harris, Esq. and Christopher A. Grgurich, Esq., Lindquist & Vennum, PLLP, Minneapolis, Minnesota.

CASE INFORMATION

The Statement of Claim was filed on or about July 8, 2005. The Submission Agreement of Claimant, The Allison-Williams Company, was signed on or about June 29, 2005 by Robert Tengdin, Chief Executive Officer.

A Statement of Answer was filed by Respondent, Stephen M. Vincent, on or about September 2, 2005. The Submission Agreement of Respondent, Stephen M. Vincent, was signed on or about November 28, 2005.

A Counterclaim and Third-Party Claim was filed by Respondent, Stephen M. Vincent, on or about December 7, 2005.

A Statement of Answer to Vincent's Counterclaim and Third-Party Claim was filed by The Allison-Williams Company, B&T, Inc., and Robert C. Tengdin, on or about December 19, 2005. The Submission Agreement of Respondent, Robert C. Tengdin, was signed on or about December 16, 2005.

CASE SUMMARY

Claimant asserted the following causes of action: misappropriation of a corporate opportunity; breach of contract; fraud; unjust enrichment; conversion; tortious interference with prospective business relationships; theft of trade secrets; negligent misrepresentations; and violation of NASD member rules. Claimant alleged that Vincent engaged in a real estate transaction with a client of Claimant and a subsidiary of Claimant for the purpose of personal gain using the resources and contacts of Claimant. Claimant also alleged that the business opportunity was not disclosed to his employer for approval prior to implementation pursuant to the Claimant's internal policy and NASD Rules and Regulations.

Unless specifically admitted in his Answer, Stephen M. Vincent denied the allegations made in the Statement of Claim and asserted defenses including the following: the real estate investment was outside of the parameters of the group's 1031 exchange program, and as such, the allegations that Vincent engaged in wrongful contact in the course of his business were false, and that the terminations of Vincent was wrongful; and any relief awarded to AWC should be offset by damages suffered by Vincent as a result of Tengdin's conduct, including damages caused by the forced publication of defamatory accusations made by Tengdin regarding Vincent and the Lilburn investment.

Counter-Claimant / Third-Party Claimant, Stephen M. Vincent asserted the following cause of action: defamation. Vincent asserted that he was terminated from AWC for the alleged misconduct surrounding the Lilburn real estate transaction and that AWC, Tengdin, and B&T, misstated on his Form U-5 that he was terminated for such alleged misconduct.

Vincent further alleged that since these allegations involved Vincent's business, trade, or professional conduct, they were defamatory per se and he should be entitled to damages.

Unless specifically admitted in their Answer to Stephen M. Vincent's Counter-Claim / Third-Party Claim, AWC, Tengdin and B&T, denied the allegations made and asserted that the language contained on Vincent's Form U-5 was not defamatory, and was in fact accurate, factual, and fair.

RELIEF REQUESTED

Claimant requested an award in the amount of:

Actual/Compensatory Damages	\$ 500,000.00
Exemplary/Punitive Damages	\$ 500,000.00
Interest	Unspecified
Attorneys' Fees	Unspecified
Other Costs	Unspecified
Other Monetary Relief	Unspecified

Respondent, Stephen M. Vincent, requested that the claims asserted against him be denied in their entirety and that he be awarded his costs and attorneys' fees.

In the Counterclaim/Third-Party Claim, Stephen M. Vincent requested an award in the amount of:

Actual/Compensatory Damages	Unspecified
Interest	Unspecified
Attorneys' Fees	Unspecified
Other Costs	Unspecified
Other Monetary Relief	Unspecified

AWC, Tengdin, and B&T, Inc., requested that the claims asserted against them be denied in their entirety and that they be awarded their costs and attorneys' fees.

OTHER ISSUES CONSIDERED & DECIDED

Respondent, B&T, Inc., did not file with the NASD Dispute Resolution a properly executed Uniform Submission Agreement but is required to submit to arbitration, having answered the claim, and appeared and testified through counsel at the hearing, is bound by the determination of the Panel on all issues submitted.

After considering the pleadings, the testimony, and the evidence presented at the hearing: The Panel made the following Finding of Fact:

- Respondent, Stephen M. Vincent, did not misappropriate a corporate opportunity of The Allison-Williams Company.

All parties agreed to the Panel's composition.

The parties have 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 testimony, and the evidence presented at the hearing, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

- 1.) Claimant's claims, each and all, are hereby denied and dismissed with prejudice;
- 2.) The Counterclaim of Stephen M. Vincent is denied and dismissed with prejudice;
- 3.) The Third-Party Claim of Stephen M. Vincent is denied and dismissed with prejudice;
- 4.) Other than Forum Fees which are specified below, the parties shall each bear their own costs and expenses incurred in this matter; and
- 5.) Any relief not specifically enumerated, including punitive damages and attorneys' fees, is hereby denied with prejudice.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution will retain the non-refundable filing fees for each claim:

Initial Claim filing fee	= \$ 1,250.00
Counterclaim/Third-Party 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 that employed the associated persons at the time of the events giving rise to the dispute. In this matter, the member firm is The Allison-Williams Company.

Member surcharge	= \$ 2,250.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$ 4,000.00

Forum Fees and Assessments

The Panel has assessed forum fees for each hearing 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 last four (4) hours or less. Fees associated with these proceedings are:

Three (3) Pre-hearing sessions with a single arbitrator x \$ 450.00	= \$ 1,350.00
Pre-hearing conferences: June 29, 2006	1 session
June 30, 2006	1 session
August 1, 2006	1 session
One (1) Pre-hearing session with Panel x \$ 1,200.00	= \$ 1,200.00
Pre-hearing conference: November 22, 2005	1 session
Eleven (11) Hearing sessions x \$ 1,200.00	= \$ 13,200.00
Hearing Dates: September 27, 2006	3 sessions
September 28, 2006	2 sessions
September 29, 2006	2 sessions
December 4, 2006	2 sessions
December 5, 2006	2 sessions

Total Forum Fees	= \$ 15,750.00
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The Panel has assessed \$ 7,875.00 of the forum fees to The Allison-Williams Company.

The Panel has assessed \$ 7,875.00 of the forum fees to Stephen M. Vincent.

FEE SUMMARY

Claimant, The Allison-Williams Company, is liable for:

Initial Filing Fee	= \$ 1,250.00
Member Fees	= \$ 7,000.00
Forum Fees	= \$ 7,875.00
<u>Total Fees</u>	<u>= \$ 16,125.00</u>
<u>Less payments</u>	<u>= \$ 11,750.00</u>
Balance Due NASD Dispute Resolution	= \$ 4,375.00

Respondent, Stephen M. Vincent, is liable for:

Counterclaim/Third-Party Claim Filing Fee	= \$ 250.00
Forum Fees	= \$ 7,875.00
<u>Total Fees</u>	<u>= \$ 8,125.00</u>
<u>Less payments</u>	<u>= \$ 0.00</u>
Balance Due NASD Dispute Resolution	= \$ 8,125.00

ARBITRATION PANEL

James B. Vessey, Esq. - Public Arbitrator, Presiding Chair
Debra Jean Griebel - Public Arbitrator
Lawrence J. Welte, VP - Non-Public Arbitrator

Concurring Arbitrators' Signatures:

/s/ James B. Vessey, Esq.
James B. Vessey, Esq.
Public Arbitrator, Presiding Chair

December 11, 2006
Signature Date

/s/ Debra Jean Griebel
Debra Jean Griebel
Public Arbitrator

December 8, 2006
Signature Date

/s/ Lawrence J. Welte, VP
Lawrence J. Welte, VP
Non-Public Arbitrator

December 9, 2006
Signature Date

December 11, 2006
Date of Service (For NASD office use only)

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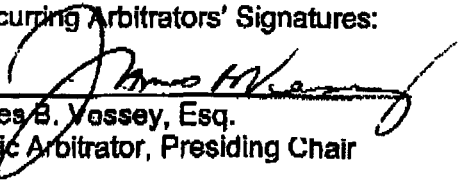
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Debra Jean Griebel - Public Arbitrator
Lawrence J. Welte, VP - Non-Public Arbitrator

Concurring Arbitrators' Signatures:


James B. Vessey, Esq.
Public Arbitrator, Presiding Chair


Signature Date 11/14/2006

Debra Jean Griebel
Public Arbitrator

Signature Date

Lawrence J. Welte, VP
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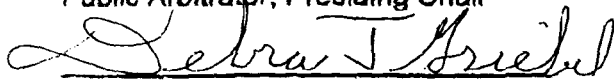
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Debra Jean Griebel - Public Arbitrator
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Concurring Arbitrators' Signatures:

James B. Vessey, Esq.
Public Arbitrator, Presiding Chair



Debra Jean Griebel
Public Arbitrator

Signature Date

12-8-06

Signature Date

Lawrence J. Welte, VP
Non-Public Arbitrator

Signature Date

Date of Service (For NASD office use only)

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Public Arbitrator, Presiding Chair

Signature Date

Debra Jean Griebel
Public Arbitrator

Signature Date

Lawrence J. Welte
Lawrence J. Welte, VP
Non-Public Arbitrator

12/9/06
Signature Date

Date of Service (For NASD office use only)