

AWARD
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of Claimant

Israel Kazew

vs.

Case Number: 05-04940

Hearing Site: Pittsburgh, Pennsylvania

Names of Respondents

Weatherly Securities Corporation and
David Drury

NATURE OF THE DISPUTE

Customer vs. Terminated Member and Associated Person

REPRESENTATION OF PARTIES

Israel Kazew ("Claimant") was represented by Robert M. Kramer, Esq., Attorney at Law, Pittsburgh, Pennsylvania.

Weatherly Securities Corporation ("Weatherly Securities") did not make an appearance.

David Drury ("Drury") was represented by James W. Kraus, Esq., Pietragallo, Bosick & Gordon, LLP, Pittsburgh, Pennsylvania.

CASE INFORMATION

The Statement of Claim was filed on or about September 20, 2005. The Submission Agreement of Claimant, Israel Kazew, was signed on or about September 5, 2005.

The Statement of Answer was filed by Respondent, David Drury, on or about February 27, 2006. The Submission Agreement of Respondent, David Drury, was signed on or about January 5, 2006.

CASE SUMMARY

Claimant asserted the following causes of action: fraudulent misrepresentations; breach of fiduciary duty; negligence; violation of Pennsylvania Securities Act; and common law fraud. The causes of action related to recommendation and purchase of stock in Customtracks Corporation n/k/a Zixit Corporation. Claimant alleged that he purchased the shares in Zixit

Corporation, but was not aware of Respondent Drury's fraudulent representations about the stock or the Respondents' fraudulent manipulation of the price of Zixit Corporation's stock. Claimant alleged that Respondent Drury made patently false claims about the amount of Zixit Corporation's assets and revenues and about Zixit Corporation's growth of sales and revenues, and presented the purchase as a chance to acquire shares of Zixit Corporation at a bargain price.

Unless specifically admitted in his Answer, Respondent Drury denied the allegations made in the Statement of Claim and asserted affirmative defenses including the following: the Statement of Claim failed to state a claim upon which relief can be granted; and Claimant failed to mitigate his damages.

RELIEF REQUESTED

Claimant requested an award in the amount of:

Actual/Compensatory Damages	\$ 117,080.00
Interest	Unspecified
Attorneys' Fees	Unspecified
Other Costs	Unspecified

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

OTHER ISSUES CONSIDERED & DECIDED

On December 5, 2005, Claimant was notified that NASD was unable to perfect service on Respondent, Weatherly Securities Corporation.

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.) Other than Forum Fees which are specified below, the parties shall each bear their own costs and expenses incurred in this matter; and

- 3.) Any relief not specifically enumerated, including 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 fee for each claim:

Initial Claim 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 person at the time of the events giving rise to the dispute. In this matter, the member firm is Weatherly Securities Corporation.

Member surcharge = \$ 1,700.00
Pre-hearing process fee = \$ 750.00
Hearing process fee = \$ 2,750.00

Forum Fees and Assessments

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

One (1) Pre-hearing session with Panel x \$1,125.00	= \$ 1,125.00
Pre-hearing conference: May 19, 2006 1 session	
Two (2) Hearing sessions x \$1,125.00	= \$ 2,250.00
Hearing Date: December 18, 2006 2 sessions	
Total Forum Fees	= \$ 3,375.00

The Panel has assessed \$3,375.00 of the forum fees to Israel Kazew.

FEE SUMMARY

Claimant, Israel Kazew, is liable for:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$ 3,375.00
Total Fees	= \$ 3,675.00
Less payments	= \$ 1,425.00
Balance Due NASD Dispute Resolution	= \$ 2,250.00

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

ARBITRATION PANEL

Marshall S. Galinsky, Esq. - Public Arbitrator, Presiding Chair
Larry A. Coudriet - Public Arbitrator
Peter Glasser - Non-Public Arbitrator

Concurring Arbitrators' Signatures:

/s/ Marshall S. Galinsky, Esq.
Marshall S. Galinsky, Esq.
Public Arbitrator, Presiding Chair

December 20, 2006
Signature Date

/s/ Larry A. Coudriet
Larry A. Coudriet
Public Arbitrator

December 20, 2006
Signature Date

/s/ Peter Glasser
Peter Glasser
Non-Public Arbitrator

December 20, 2006
Signature Date

December 20, 2006
Date of Service (For NASD office use only)

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Public Arbitrator, Presiding Chair

12/20/06
Signature Date

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Signature Date

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Signature Date

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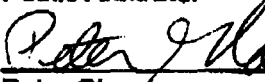
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Public Arbitrator, Presiding Chair

Signature Date

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Signature Date



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12/20/06
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