

AWARD
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of Claimant

Bright Trading, LLC

vs.

Case Number: 05-05353
Hearing Site: Dallas, Texas

Name of Respondent

Person Financial Services

NATURE OF THE DISPUTE

Customer vs. Member

REPRESENTATION OF PARTIES

Bright Trading, LLC ("Claimant") was represented by Debra G. Speyer, Esq., Law Offices of Debra G. Speyer, Bala Cynwyd, Pennsylvania and T. Michael Kennedy, Esq., The Law Office of T. Michael Kennedy, P.C., Irving, Texas.

Person Financial Services ("Respondent") was represented by Wm. David Simmons, Esq., McGuire, Craddock & Strother, P.C., Dallas, Texas.

CASE INFORMATION

The Statement of Claim was filed on or about October 17, 2005. The Submission Agreement of Claimant was signed on or about October 13, 2006.

The Statement of Answer was filed by Respondent on or about January 13, 2006. The Submission Agreement of Respondent was signed on or about January 11, 2006 by Jill Zacha, Senior Vice President and General Counsel.

CASE SUMMARY

Claimant asserted the following cause of action: breach of contract. As alleged in the Statement of Claim, Claimant maintained an account with Respondent in which it conducted a pair trading strategy. As part of the agreed fee schedule, a paragraph of the parties' agreement set forth a formula to calculate interest rate rebates. The parties interpreted this provision differently, resulting in Respondent withholding funds due to Claimant.

Unless specifically admitted in its Answer, Respondent denied the allegations made in the Statement of Claim and asserted affirmative defenses including the following: Claimant failed to mitigate its damages, if any, and Claimant is barred from recovery by the equitable doctrines of waiver, estoppel, and ratification.

RELIEF REQUESTED

Claimant requested an award in the amount of:

Actual/Compensatory Damages	\$194,926.79
Punitive Damages	Unspecified
Interest	Unspecified
Attorneys' Fees	Unspecified
Other Costs	Unspecified
Other Monetary Relief	Unspecified

Respondent requested that the claims asserted against it be denied in their entirety and that it be awarded its costs and attorneys' fees.

OTHER ISSUES CONSIDERED & DECIDED

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.) Respondent, Person Financial Services, is liable for and shall pay to Claimant, Bright Trading, LLC, the sum of \$182,483.35 in compensatory damages;
- 2.) Respondent, Person Financial Services, is liable for and shall pay to Claimant, Bright Trading, LLC, interest on the above-stated sum at the rate of 8.25% per annum from and including October 1, 2005 through and including November 1, 2006;
- 3.) Other than Forum Fees which are specified below, the parties shall each bear their own costs and expenses incurred in this matter; and
- 4.) 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 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 Penson Financial Services.

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: March 27, 2006	1 session
Two (2) Hearing sessions x \$1,125.00	= \$ 2,250.00
Hearing Date: November 1, 2006	2 sessions
Total Forum Fees	= \$ 3,375.00

The Panel has assessed \$1,687.50 of the forum fees to Bright Trading, LLC.

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FEE SUMMARY

Claimant, Bright Trading, LLC, is liable for:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$ 1,687.50
Total Fees	= \$ 1,987.50
Less payments	= \$ 1,425.00
Balance Due NASD Dispute Resolution	= \$ 562.50

Respondent, Person Financial Services, is liable for:

Member Fees	= \$ 5,200.00
Forum Fees	= \$ 1,687.50
Total Fees	= \$ 6,887.50
Less payments	= \$ 5,200.00
Balance Due NASD Dispute Resolution	= \$ 1,687.50

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

ARBITRATION PANEL

Philip C. Crouse - Public Arbitrator, Presiding Chair
Joseph A. Vicario, Jr., Esq.- Public Arbitrator
Richard C. Corse - Non-Public Arbitrator

Concurring Arbitrators' Signatures:

Philip C. Crouse
Public Arbitrator, Presiding Chair

Signature Date

Joseph A. Vicario, Jr., Esq.
Public Arbitrator

Signature Date

Richard C. Corse
Non-Public Arbitrator

Signature Date

Date of Service (For NASD office use only)

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Philip C. Crouse
Public Arbitrator, Presiding Chair

Nov. 8, 2006
Signature Date

Joseph A. Vicario, Jr., Esq.
Joseph A. Vicario, Jr., Esq.
Public Arbitrator

Signature Date

Richard C. Corse
Richard C. Corse
Non-Public Arbitrator

Signature Date

11/8/06 RLC
Date of Service (For NASD office use only)

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