

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Banc of America Investment Services, Inc., Claimant v. Ryan A. Hudson, Respondent

Case Number: 05-05694

Hearing Site: Portland, Oregon

Nature of the Dispute: Member v. Associated Person

REPRESENTATION OF PARTIES

For Claimant:

Ron Kane, Esq.
Diane Fischer, Esq.
Kane & Fischer, Ltd.
Chicago, Illinois

For Respondent:

Respondent did not appear

CASE INFORMATION

Statement of Claim filed: November 4, 2005

Claimant's Uniform Submission Agreement signed: October 31, 2005

Statement of Answer filed by Respondent: None filed

Respondent's Uniform Submission Agreement signed: None submitted

CASE SUMMARY

Claimant alleged breach of Promissory Note agreement and failure to repay commission deficit.

Respondent did not respond to the allegations of wrongdoing set forth in the Claimant's Statement of Claim.

RELIEF REQUESTED

Claimant requested compensatory damages in the sum of \$52,000.00, interest at the rate of 5% per annum on the balance of the Note due and owing from December 21, 2004 until the date of payment, repayment of commission deficit, interest at the statutory rate from January 2005 until the date of payment of the monies owed for commission deficit, and costs, including attorney's fees.

OTHER ISSUES CONSIDERED AND DECIDED

Respondent Ryan Hudson did not file with NASD Dispute Resolution, a properly executed submission agreement; however, said Respondent is required to submit to arbitration and, said Respondent is bound by the determination of the Panel on all issues submitted.

Upon review of the file and the representations made on behalf of the Claimant, the undersigned Panel determined that Respondent Ryan Hudson was properly served with the Statement of Claim and received due notice of the hearing, and that arbitration of the matter would proceed without said Respondent present, in accordance with the NASD Code of Arbitration Procedure (the "Code").

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

After considering the pleadings, testimony, and evidence presented at the hearing, the Panel decided in full and final resolution of the issues submitted for determination as follows:

- 1) Respondent is liable to and shall pay to Claimant the sum of \$52,000.00 in compensatory damages which is the principal balance due and owing on the Promissory Note.
- 2) Respondent is liable to and shall pay to Claimant interest on the principal balance owing on the Promissory Note at a rate of 5% per annum on the sum of \$52,000.00 from June 5, 2004 to December 21, 2004 in the sum of \$1,424.00.
- 3) Respondent is liable to and shall pay \$3,652.56 to Claimant representing interest which accrued on the sum of \$52,000.00 from December 21, 2004 to May 18, 2006.
- 4) Interest will continue to accrue on the principal balance of the Promissory Note at a rate of 5% per annum from May 18, 2006 until this award is paid in full.
- 5) Respondent is liable to and shall pay to Claimant the sum of \$1,975.30 for commission deficit.
- 6) Respondent is liable to and shall pay interest on the sum of \$1,975.30 to Claimant in the sum of \$231.28.
- 7) Interest will continue to accrue on the unpaid balance of the commission deficit at a rate of 9% per annum until this award is paid in full.
- 8) Respondent is liable to and shall pay to Claimant the sum of \$4,120.27 as reimbursement for costs.
- 9) Respondent is liable to and shall pay to Claimant the sum of \$5,737.50 in attorney's fees.
- 10) All other relief requested and not expressly granted is denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution received or will collect the non-refundable filing fees for each claim as follows:

Initial claim filing fee	= \$ 1,000.00
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Member Fees

Member fees are assessed to each member firm that is either a party in the matter or an employer of a respondent associated person at the time of the events that gave rise to the dispute, claim, or controversy. Accordingly, the member firm Banc of America Investment Services, Inc., and the following fees are assessed:

Member Surcharge	= \$ 1,100.00
Pre-Hearing Process Fee	= \$ 750.00
Hearing Process Fee	= \$ 1,700.00
Total Member Fees	= \$ 3,550.00

Forum Fees and Assessments

The Panel assessed forum fees for each 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:

(1) Pre-hearing conference session with the Panel @ \$750.00/session	= \$ 750.00
Pre-hearing conference: April 7, 2006	1 session
(1) Hearing session @ \$750.00/session	= \$ 750.00
Hearing: May 18, 2006	1 session

Total Forum Fees	= \$ 1,500.00
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The Panel assessed \$1,500.00 of the forum fees to Respondent.

Fee Summary

1. Claimant is charged with the following fees and costs:

Initial Filing Fee	= \$ 1,000.00
Member Fees	= \$ 3,550.00
Total Fees	= \$ 4,550.00
Less payments	= \$(3,600.00)
Balance Due NASD Dispute Resolution	= \$ 950.00

2. Respondent is charged with the following fees and costs:

Forum Fees	= \$1,500.00
Balance Due NASD Dispute Resolution	= \$1,500.00

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

ARBITRATION PANEL

Joseph L. Mangan	-	Non-Public Arbitrator, Presiding Chair
John E. Bates	-	Non Public Arbitrator
David G. Rongerude	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures


Joseph L. Mangan
Chair, Public Arbitrator

5-31-06
Signature Date

John E. Bates
Public Arbitrator

Signature Date

David G. Rongerude
Non-Public Arbitrator

Signature Date

June 1, 2006
Date of Service

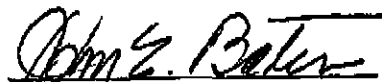
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