

**AWARD  
NASD DISPUTE RESOLUTION**

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**In the Matter of the Arbitration Between:**

Banc of America Investment Services, Inc., Claimant vs. Steven P. Galko, Respondent

Case Number: 05-05896

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**SITUS:** Dallas, Texas.

**NATURE OF DISPUTE:** Member vs. Associated Person.

**REPRESENTATION OF PARTIES:** Banc of America Investment Services, Inc., hereinafter referred to as "Claimant": Diane C. Fischer, Esq., located in Chicago, Illinois.

Respondent Steven P. Galko did not enter an appearance in this matter.

**DATE FILED:** November 18, 2005.

**CASE SUMMARY:** Claimant alleged that Respondent failed to repay a loan evidenced by a Promissory Note signed as part of Respondent's employment. In addition, Respondent failed to repay a commission deficit.

**CLAIM DATA:**

Claim:	\$99,200.00 (Promissory Note) \$ 7,838.58 (Commission Deficit)
Punitive:	None
Attorney's Fees:	Pursuant to the terms of the Note
Other:	Costs of collection, interest and all further relief that the Panel deems just and proper.

**OTHER ISSUES:** By letter dated May 25, 2006, Claimant opted to proceed against Respondent Steven P. Galko pursuant to Rule 10314(e) of the *NASD Code of Arbitration Procedure* ("Code"). The arbitrator determined that Respondent was properly served notice of the Statement of Claim and Notification of the Arbitrator by certified mail, and that Respondent is required to submit to arbitration pursuant to the Code and is bound by the determination of the Arbitrator on all issues submitted.

**AWARD:** The undersigned arbitrator has decided and determined in full and final resolution of the issues submitted for determination as follows:

1. Respondent Steven P. Galko is liable for and shall pay to Claimant Banc of America Investment Services, Inc. the sum of \$99,200.00 as compensatory damages, plus interest at the rate of 5% per annum accruing from May 11, 2004 through May 31, 2006;
2. In addition, Respondent Steven P. Galko is liable for and shall pay to Claimant Banc of America Investment Services, Inc. the sum of \$7,838.58

- as compensatory damages for the commission deficit, plus interest at the rate of 6% per annum accruing from May 30, 2005 through May 31, 2006;
3. Furthermore, Respondent Steven P. Galko is liable for and shall pay to Claimant Banc of America Investment Services, Inc. the sum of \$8,782.50 as attorneys' fees. In deciding to award attorneys' fees, the Arbitrator considered the language of the Promissory Note and determined that authority existed for an award of attorneys' fees to the Claimant;
  4. Respondent Steven P. Galko is also liable for and shall pay to Claimant Banc of America Investment Services, Inc. the sum of \$1,328.47 as costs;
  5. All additional costs of arbitration, including additional attorneys' fee, shall be borne by the party incurring the cost;
  6. All other relief requests are denied.

**FEES:** The \$1,000.00 filing fee previously deposited with NASD Dispute Resolution by Claimant shall be retained by NASD Dispute Resolution.

**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. Accordingly, Banc of America Investment Services, Inc. is a party and the following member fees are assessed:

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

**Adjournment Fees**

Adjournments granted during these proceedings for which fees were assessed: None.

**Forum Fees**

The arbitrator assessed all forum fees against Respondent Steven P. Galko. These include:

One (1) Pre-hearing with Panel x \$1,125.00	= \$1,125.00
One (1) Arbitrator Ruling on the Default	= \$ 300.00

**ARBITRATION PANEL:**

\_\_\_\_\_  
William E. Barker, Jr.  
Sole Non-Public Arbitrator

\_\_\_\_\_  
Signature Date

Date Award Served Upon Parties: \_\_\_\_\_

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Sole Non-Public Arbitrator

  
Signature Date

Date Award Served Upon Parties: 6/8/06 MM

NASD Arbitration No. 05-05896