

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Harold Stoll, Claimant v. HGI, Inc., Joseph J. Tuozzo, Walter St. Surin, Stephen Craig Palumbo, Mark Arthur Hanna, John Simonetti, Fiserv Correspondent Services, Inc. n/k/a/ Fiserv Securities, Inc., Respondents

Case Number: 98-00302

Hearing Site: San Francisco, California

Nature of the Dispute: Customer v. Members and Associated Persons

REPRESENTATION OF PARTIES

For Claimant:	Elizabeth Lowery, Esq. Fields, Fehn & Sherwin Los Angeles, California
For Respondent HGI, Inc.:	No Representation
For Respondent Joseph J. Tuozzo:	Joseph J. Tuozzo In Propria Persona Boca Raton, Florida
For Walter St. Surin:	Edward J. Toscano, Esq. Law Offices of Edward J. Toscano Garden City, New York
For Stephen Craig Palumbo:	Stephen Craig Palumbo In Propria Persona Coral Springs, Florida
For Respondent Mark Arthur Hanna:	Mark Arthur Hanna In Propria Persona Oyster Bay, New York
For John Simonetti:	John Simonetti In Propria Persona Ron Kon Koma, New York
For Respondent Fiserv Correspondent Services, Inc. n/k/a/ Fiserv Securities, Inc.:	Steven D. Plissey, Esq. Sherman & Howard Denver, Colorado

CASE INFORMATION

Initial Statement of Claim filed: January 20, 1998

First Amended Statement of Claim filed: April 29, 1999

Second Amended Statement of Claim filed: January 12, 2001

Claimant's Uniform Submission Agreement signed: January 7, 1998

Statement of Answer filed by Respondent HGI, Inc.: None Filed

Joint Statement of Answer filed by Respondent Joseph Tuozzo and Walter St. Surin:
July 24, 1998

Statement of Answer filed by Respondent Stephen Craig Palumbo: March 19, 2001

Statement of Answer filed by Respondent Mark Arthur Hanna: None Filed

Statement of Answer filed by Respondent John Simonetti: None Filed

Statement of Answer filed by Respondent Fiserv Correspondent Services, Inc. n/k/a/ Fiserv
Securities, Inc. (hereinafter, "Fiserv Securities Inc."): April 9, 2001

Respondent HGI, Inc.'s Uniform Submission Agreement: None Filed

Respondent Joseph J. Tuozzo's Uniform Submission Agreement signed: July 17, 1998

Respondent Walter St. Surin's Uniform Submission Agreement signed: July 17, 1998

Respondent Stephen Craig Palumbo's Uniform Submission Agreement signed: April 4, 2001

Respondent Mark Arthur Hanna's Uniform Submission Agreement: None Filed

Respondent John Simonetti's Uniform Submission Agreement: None Filed

Respondent Fiserv Securities, Inc.'s Uniform Submission Agreement signed: April 19, 2001

CASE SUMMARY

In his Initial Statement of Claim, Claimant alleged breach of fiduciary duty arising from unsuitable securities recommendations, misrepresentation, high pressure sales tactics, unauthorized trading and failure to execute sell orders as to Respondents HGI, Inc. Walter St. Surin and Joseph Tuozzo. Claimant's allegations involved UNVU, UNVWV, UNVCV, UNVC and other unspecified securities. Claimant's First Amended Statement of Claim added Respondents Mark Arthur Hanna, Brian Scanlon, John Simonetti and Stephen Palumbo. Claimant's Second Amended Statement of Claim added Respondent Fiserv Securities, Inc. and allegations of violations of California Corporations Code §§ 25400, 25401, 25403 and 25130.

Respondents Joseph Tuozzo, Walter St. Surin, Stephen Palumbo and Fiserv Securities, Inc. each denied the allegations of wrongdoing set forth in the Claimant's Statement of Claim.

RELIEF REQUESTED

Claimant requested compensatory damages in the amount of \$3,000,000.00, unspecified punitive damages, interest and costs, including attorney's fees.

Respondents Joseph Tuozzo, Walter St. Surin, Stephen Palumbo and Fiserv Securities, Inc., each requested dismissal of the Claimant's Statement of Claim in its entirety. Respondent Fiserv Securities, Inc. also requested costs, including attorney's fees.

OTHER ISSUES CONSIDERED AND DECIDED

Respondents HGI, Inc., Mark Arthur Hanna and John Simonetti did not file with the NASD Dispute Resolution, properly executed submission agreements; however, all said Respondents are required to submit to arbitration and are bound by the determination of the Panel on all issues submitted.

On April 29, 1999, Claimant filed a motion to amend the Statement of Claim, pursuant to the NASD Code of Arbitration Procedure Rule 10328(b). On May 4, 1999, the Panel granted the motion.

On January 12, 2001, Claimant filed a second motion to amend the Statement of Claim, pursuant to the NASD Code of Arbitration Procedure Rule 10328(b). On January 29, 2001, the Panel granted the motion.

Prior to serving the First Amended Statement of Claim, Claimant's counsel was notified that proposed Respondent Brian Scanlon filed bankruptcy. Accordingly, this matter is stayed as to Brian Scanlon.

On April 27, 1999, Claimant dismissed Respondent Walter St. Surin.

On July 10, 2000, Claimant dismissed Respondent John Simonetti without prejudice.

On April 9, 2001, Respondent Fiserv Securities, Inc., filed a motion to dismiss the Statement of Claim. On October 25, 2001, the Panel denied the motion.

On December 20, 2001, Respondent Fiserv Securities, Inc., filed a motion to dismiss the Statement of Claim. On February 21, 2002, the Panel granted the motion.

On May 29, 2002, Claimant filed a motion to reconsider Respondent Fiserv Securities, Inc.'s dismissal from the case. On June 14, 2002, the panel denied the motion.

On August 5, 2002, Claimant dismissed Stephen Palumbo with prejudice.

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 and all submissions by parties in this case, the Panel decided in full and final resolution of the issues submitted for determination as follows:

1. Claimant's claims as to Respondents Joseph Tuozzo and Mark Arthur Hanna are hereby dismissed without prejudice.
2. The Panel has failed to find that Respondent HGI, Inc., was properly served with the Statement of Claim; therefore, Claimant's claims as to Respondent HGI, Inc., are hereby dismissed without prejudice.
3. The parties shall bear their respective costs, including attorney's fees.
4. 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 = \$ 250.00

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 Fiserv Correspondent Services, Inc. is a party and the following fees are assessed:

Member Surcharge = \$ 2,500.00

Pre-Hearing Process Fee = \$ 600.00

Hearing Process Fee = \$ 4,500.00

Total Member Fees = \$ 7,600.00

Adjournment Fees

The Panel has assessed the adjournment fees as follows:

1. April 29 & 30, 1999, adjournment fee assessed to Claimant = \$ 1,000.00

2. February 5-8, 2002, adjournment fee assessed to Respondent Fiserv Securities, Inc. = \$ 1,000.00

Forum Fees and Assessments

The Panel assessed a forum fee for each pre-hearing conference or hearing session conducted. A pre-hearing conference and hearing session is any meeting between the parties and the Panel.

The following fees are assessed:

Four (4) Pre-hearing conference sessions with the Panel @ \$1,000.00/session = \$ 4,000.00

Pre-hearing conferences: October 5, 1998 1 session

June 12, 2001 1 session

October 22, 2001 1 session

February 5, 2002 1 session

Total Forum Fees = \$ 4,000.00

1. The Panel assessed \$3,000.00 of the forum fees to Claimant.

2. The Panel assessed \$1,000.00 of the forum fees to Respondent Fiserv Securities, Inc.

Fee Summary

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

Initial Filing Fee	= \$ 250.00
Adjournment Fee	= \$ 1,000.00
Forum Fees	= \$ 3,000.00
Total Fees	= \$ 4,250.00
Less payments	= \$(1,250.00)
Balance Due NASD Dispute Resolution	= \$ 3,000.00

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


Member Fees	= \$ 7,600.00
Adjournment Fee	= \$ 1,000.00
Forum Fees	= \$ 1,000.00
Total Fees	= \$ 9,600.00
Less payments	= \$(8,600.00)
Balance Due NASD Dispute Resolution	= \$ 1,000.00

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

F. Conger Fawcett, Esq.	-	Public Arbitrator, Presiding Chair
Paul F. Faberman	-	Public Arbitrator
Juleanne A. Thiebaut	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures



F. Conger Fawcett, Esq.
Chair, Public Arbitrator

March 25, 2004

Signature Date

Paul F. Faberman
Public Arbitrator

Signature Date

Juleanne A. Thiebaut
Non-Public Arbitrator

Signature Date

3/26/04

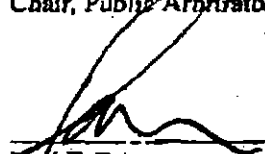
Date of Service

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Paul F. Faberman	-	Public Arbitrator
Julianne A. Thiebaut	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

F. Conger Fawcett, Esq.
Chair, Public Arbitrator



Paul F. Faberman
Public Arbitrator

Signature Date

March 25, 2004

Signature Date

Julianne A. Thiebaut
Non-Public Arbitrator

Signature Date

3/26/04

Date of Service

ARBITRATION PANEL

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F. Conger Fawcett, Esq.
Chair, Public Arbitrator

Signature Date

Paul F. Faberman
Public Arbitrator

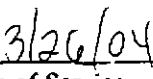
Signature Date



Julianne A. Thiebaut
Non-Public Arbitrator



Signature Date



Date of Service