

**STIPULATED AWARD
NASD REGULATION, INC.**

In the Matter of the Arbitration Between

Name of Claimant

Joseph G. Dawson

Case No. 98-03839

Names of Respondents

Olde Discount Corporation

James Thomas Falardeau

REPRESENTATION OF PARTIES

For Claimant: Darren C. Blum, Esq. of Philip J. Feldman & Associates, North Miami, Florida.

For Respondents Olde Discount Corporation ("Olde") and James Thomas Falardeau ("Falardeau"): David T. Doyle, Esq. of Olde Discount Corporation, Detroit, Michigan.

CASE INFORMATION

Statement of Claim filed on: October 8, 1998.

Claimant's Uniform Submission Agreement signed on: January 6, 1998.

Joint Statement of Answer filed by Respondents on: December 21, 1998.

Respondent Olde's Uniform Submission Agreement signed on: December 4, 1998 by Thomas P. Fitzgerald, General Counsel, on behalf of the firm.

Respondent Falardeau's Uniform Submission Agreement signed on: November 10, 1998.

CASE SUMMARY

Claimant alleged that his broker at Olde, Respondent Falardeau, did not act in his best interest in connection with his account; recommended unsuitable securities; failed to properly supervise his account; and, as a result of the wrongdoing of Respondents, Claimant suffered substantial financial losses.

Respondents Olde and Falardeau denied the allegations of wrongdoing contained in the Statement of Claim and maintained that Claimant gave trading authorization to a third-party

investment advisor who made the investment decisions for the account and that Falardeau executed orders at the direction of the third-party advisor. Further, Respondents asserted a counterclaim for indemnification based upon an indemnification clause in the Trading Authorization signed by Claimant and his advisor.

RELIEF REQUESTED

Claimant requested an award of compensatory damages of approximately \$100,000.00 plus interest, attorney's fees and dismissal of the counterclaim.

Respondents requested that the claim be dismissed in its entirety, with prejudice; relief on their counterclaim; that Claimant be required to reimburse Respondents for defense costs; and, that all references to this matter be expunged from the Central Registration Depository ("CRD") record of Respondent Falardeau.

OTHER ISSUES CONSIDERED AND DECIDED

The parties filed a Stipulation to Dismiss and Expunge with NASD Regulation, Inc. on December 4, 1999.

AWARD

The arbitration panel, having considered the pleadings and the Stipulation to Dismiss and Expunge submitted by the parties, decided in full and final resolution of the issues submitted for determination as follows:

1. All claims against Respondents Olde and Falardeau are dismissed, with prejudice.
2. The counterclaim against the Claimant is dismissed, with prejudice.
3. Said dismissals shall be bars to the bringing of any actions based on or including the claims for which this action has been brought.
4. The Panel recommends the expungement of all references to the above-captioned arbitration proceeding from Respondent Falardeau's CRD record with the understanding that pursuant to NASD Notice to Members 99-09, Respondent Falardeau must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.
5. The parties shall bear their respective costs and attorneys' fees.
6. All matters in dispute between the Claimant and Respondents whether specifically alleged in the Statement of Claim or not, have been satisfactorily compromised, settled, and adjourned.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Regulation, Inc. will retain or collect the non-refundable filing fees for each claim:

Initial claim filing fee	= \$150.00
Counter-claim filing fee	= \$500.00

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, Olde, is a party.

Member surcharge	= \$1,000.00
Pre-hearing process fee	= \$ 600.00
Hearing process fee	= \$1,500.00

Forum Fees and Assessments

The Panel assesses forum fees for each hearing session conducted. A hearing 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 the Panel x \$500.00	= \$500.00
Pre-hearing conference date: April 16, 1999 <u>1 session</u>	
Total Forum Fees	= \$500.00

The Panel has assessed \$250.00 of the forum fees to Claimant.

The Panel has assessed \$250.00 of the forum fees to Respondent Olde.

Fee Summary

Claimant be and hereby is solely liable for:

Initial Filing Fee	= \$150.00
<u>Forum Fees</u>	= <u>\$250.00</u>
Total Fees	= \$400.00
<u>Less Payments</u>	= <u>\$400.00</u>
Balance Due NASD Regulation, Inc.	= \$ 0.00

Respondent Olde be and hereby is solely liable for:

Filing Fee	= \$ 500.00
Member Fees	= \$3,100.00
<u>Forum Fees</u>	= <u>\$ 250.00</u>
Total Fees	= <u>\$3,850.00</u>
<u>Less Payments</u>	= <u>\$3,850.00</u>
Balance Due NASD Regulation, Inc.	= \$ 0.00

All balances are due and payable to NASD Regulation, Inc.

Concurring Arbitrators' Signatures

_____/s/_____
Frank Nussbaum, Esq.
Public Arbitrator, Presiding Chair

Signature Date

_____/s/_____
George R. Canty, Jr., Esq.
Public Arbitrator

Signature Date

_____/s/_____
Timothy C. Voit
Industry Arbitrator

Signature Date

February 29, 2000
Date of Service

All balances are due and payable to NASD Regulation, Inc.

Concurring Arbitrators' Signatures



Frank Nussbaum, Esq.
Public Arbitrator, Presiding Chair

Signature Date

George R. Canty, Jr., Esq.
Public Arbitrator

Signature Date

Timothy C. Voit
Industry Arbitrator

Signature Date

Date of Service (For NASD office use only)

All balances are due and payable to NASD Regulation, Inc.

Concurring Arbitrators' Signatures

Frank Nussbaum, Esq.
Public Arbitrator, Presiding Chair

Signature Date



George R. Canty, Jr., Esq.
Public Arbitrator

2/21/00

Signature Date

Timothy C. Boit
Industry Arbitrator

Signature Date

Date of Service (For NASD office use only)

All balances are due and payable to NASD Regulation, Inc.

Concurring Arbitrators' Signatures

Frank Nussbaum, Esq.
Public Arbitrator, Presiding Chair

Signature Date

George R. Canty, Jr., Esq.
Public Arbitrator

Signature Date



Timothy C. Voit
Industry Arbitrator

2-18-2000
Signature Date

Date of Service (For NASD office use only)