

Award
NASD Regulation, Inc.

In the Matter of the Arbitration Between:

Ben and Wilhelmina Pijuan, Claimants v. WMA Securities, Inc., World Marketing Alliance, Inc., Art Stein, Eden Stein, Lydia C. Legaspi, Kevin L. Palmer, Mason A. Burnham, and Richard L. Thawley, Respondents.

Case Number: 99-00335

Hearing Site: Los Angeles, California

REPRESENTATION OF PARTIES

For Claimants Ben and Wilhelmina Pijuan:

Steve A. Buchwalter, Esq.
Law Offices of
Steve A. Buchwalter
Encino, California

For Respondents Art Stein and Eden Stein:

Jay R. Stein, Esq.
Law Offices of Jay R. Stein
Los Angeles, California

For Respondents WMA Securities, Inc.,
World Marketing Alliance, Inc., Lydia C. Legaspi,
Kevin L. Palmer, Mason A. Burnham,
and Richard L. Thawley:

Alan E. Greenberg, Esq.
Lewis, D'Amato,
Brisbois & Bisgaard LLP
San Diego, California

CASE INFORMATION

Statement of Claim received on: January 25, 1999

Amended Statement of Claim filed: November 16, 1999

Claimants' Uniform Submission Agreement signed: January 20, 1999

Joint Statement of Answer filed by Respondents WMA Securities, Inc., World Marketing Alliance, Inc., Lydia C. Legaspi, Kevin L. Palmer, Mason A. Burnham, and Richard L. Thawley:
July 30, 1999

Respondent WMA Securities, Inc.'s Uniform Submission Agreement signed: July 19, 1999

Respondent World Marketing Alliance, Inc.'s Uniform Submission Agreement signed: July 19, 1999

Respondent Lydia C. Legaspi's Uniform Submission Agreement signed: July 8, 1999

Respondent Kevin L. Palmer's Uniform Submission Agreement signed: July 28, 1999

Respondent Mason A. Burnham's Uniform Submission Agreement signed: July 23, 1999

Respondent Richard L. Thawley's Uniform Submission Agreement signed: July 28, 1999

Joint Statement of Answer and Counter-Claim filed by Respondents Art Stein and Eden Stein: August 18, 1999

Respondent Art Stein and Eden Stein's Uniform Submission Agreement signed: August 27, 1999

CASE SUMMARY

Claimants alleged fraud, deceit, misrepresentation, omission of material fact, defamation, libel, negligence, conversion, wrongful termination, failure to supervise, violation of California Welfare and Institutions Code §15600, et seq. In their Amended Statement of Claim, Claimants also alleged violation of California Labor Code §1102.5.

Respondents WMA Securities, Inc., World Marketing Alliance, Inc., Lydia C. Legaspi, Kevin L. Palmer, Mason A. Burnham, and Richard L. Thawley denied the allegations of wrongdoing set forth in the Claimants' Statement of Claim.

Respondents Art Stein and Eden Stein denied the allegations of wrongdoing set forth in the Claimants' Statement of Claim, and in their Counter-Claim alleged that Claimants filed a frivolous, malicious and vexatious claim.

RELIEF REQUESTED

Claimants requested \$595,000.00 in compensatory damages, statutory damages under the California Welfare and Institutions Code §15600, et seq. in the amount of \$5,000.00, costs, attorney's fees, punitive damages, interest, and expungement of their CRD regulatory records.

Respondents WMA Securities, Inc., World Marketing Alliance, Inc., Lydia C. Legaspi, Kevin L. Palmer, Mason A. Burnham, and Richard L. Thawley requested dismissal of the Claimants' Statement of Claim in its entirety, costs and attorney's fees.

Respondents Art Stein and Eden Stein requested dismissal of the Claimants' Statement of Claim in its entirety. In their Counter-Claim they requested costs and attorney's fees.

OTHER ISSUES CONSIDERED AND DECIDED

On December 30, 1999 the Arbitration Panel granted Claimants' Motion to Amend the Statement of Claim.

On March 16, 2000, during the telephonic pre-hearing conference, Claimant Ben Pijuan dismissed his defamation claim.

On May 2, 2000, the Arbitration Panel received notice that Claimants and Respondents WMA Securities, Inc., World Marketing Alliance, Inc., Lydia C. Legaspi, Kevin L. Palmer, Mason A. Burnham, and Richard L. Thawley reached a settlement.

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 evidence presented at the hearing, the Arbitrator has decided in full and final resolution of the issues submitted for determination as follows:

- 1) Claimants' claims are denied in their entirety.
- 2) Claimants' claim for punitive damages is denied.
- 3) Respondents Art Stein and Eden Stein's Counter-claim is denied in its entirety.
- 4) Each party shall bear its own costs, including attorney's fees.
- 5) All other relief not expressly granted is denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Regulation, Inc. has received or will collect the non-refundable filing fees for each claim as follows:

Initial claim filing fee	= \$500.00
Respondents Art Stein and Eden Stein's Counter claim	= \$500.00

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 event of the dispute. Accordingly, the member firm WMA Securities, Inc. is a party and the following fees are assessed:

Member Surcharge	= \$2,000.00
Pre-Hearing Process Fee	= \$ 600.00
<u>Hearing Process Fee</u>	<u>= \$3,500.00</u>
Total Member Fees	= \$6,100.00

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 Chair/Panel. The following fees are assessed:

(3) Pre-hearing conference sessions with the Panel @ \$1,000.00/session	= \$3000.00
Pre-hearing conferences:	
December 6, 1999	1 session
December 30, 1999	1 session
March 16, 2000	1 session

(4) Hearing sessions @ \$1000.00/session	= \$4,000.00
Hearings:	
May 2, 2000	2 sessions
May 3, 2000	2 sessions

Total Forum Fees	= \$7,000.00
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1. The Arbitration Panel has assessed \$3,500.00 of the forum fees jointly and severally to Claimants Ben and Wilhelmina Pijuan.
2. The Arbitration Panel has assessed \$3,500.00 of the forum fees jointly and severally to Respondents Art Stein and Eden Stein.

Fee Summary

1. Claimants Ben and Wilhelmina Pijuan are charged jointly and severally with the following fees and costs:

Initial Filing Fee	= \$ 500.00
<u>Forum Fees</u>	<u>= \$3,500.00</u>
Total Fees	= \$4,000.00
<u>Less payments</u>	<u>= \$(500.00)</u>
Balance Due NASD Regulation, Inc.	= \$3,500.00

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

Member Fees	= \$ 6,100.00
<u>Less payments</u>	<u>= \$(6,100.00)</u>
Balance Due NASD Regulation, Inc.	= \$ 0.00

3. Respondents Art Stein, Eden Stein are charged jointly and severally with the following fees and costs:

Counter-Claim Filing Fee	= \$ 500.00
<u>Fee Type</u>	<u>= \$3,500.00</u>
Balance Due NASD Regulation, Inc.	= \$4,000.00


All balances are payable to NASD Regulation, Inc. and are due within 30 days of the award's date of service.

Concurring Arbitrators' Signatures



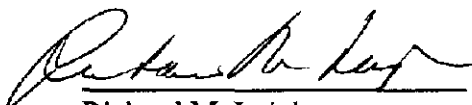
Martin J. Kotowski/Esq.
Chair, Public Arbitrator

5/3/2000
Signature Date



Ralph B. Perry, III, Esq.
Public Arbitrator

5/3/2000
Signature Date



Richard M. Leigh
Non-Public Arbitrator

5/3/2000
Signature Date

May 4, 2000
Date of Service