

Award
NASD Regulation, Inc.

In the Matter of the Arbitration Between:

Jeff Stalvey, Claimant v. W. J. Gallagher & Co. Inc., William Joseph Gallagher, Lewis Akmakjian, and Brian Harry Money, Respondents

Case Number: 99-01006

Hearing Site: Los Angeles, California

REPRESENTATION OF PARTIES

For Claimant:

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

For Respondents W. J. Gallagher & Co., Inc. and
William Joseph Gallagher:

Stephen Acker, Esq.
Acker, Kowalick & Whipple
Los Angeles, California

For Respondent Lewis Akmakjian:

Lewis Akmakjian
In Pro Per
Burbank, California

For Respondent Brian Harry Money:

Brian Harry Money
In Pro Per
Hollywood, California

CASE INFORMATION

Statement of Claim filed: March 5, 1999

Claimant's Uniform Submission Agreement signed: May 13, 1999

Joint Statement of Answer filed by all Respondents: July 13, 1999

Respondent W. J. Gallagher & Co.'s Uniform Submission Agreement signed: June 26, 2000

Respondent William Joseph Gallagher's Uniform Submission Agreement signed: June 26, 2000

Respondent Lewis Akmakjian's Uniform Submission Agreement signed: June 26, 2000

Respondent Brian Harry Money's Uniform Submission Agreement signed: June 26, 2000

CASE SUMMARY

Claimant alleged fraud, deceit, omission, negligence, churning, unsuitability, breach of fiduciary duty, and failure to supervise. Claimant also alleged violation of the 1934 Securities and Exchange Act section 10b-5, violation of the California Corporation Code section 25400, and violation of the Florida Blue Sky Statute, Chapter 517.

Claimant's allegations arise out of the purchase and/or sale of Biocontrol Technology, Inc., Thermo Tech Technologies, ODS Networks, Java Centrale, Chadmore Wireless Group, Inc. Ascend Communications, and CIRRUS Logic, Inc.

Respondents denied the allegations of wrongdoing set forth in the Claimant's Statement of Claim.

RELIEF REQUESTED

Claimant requested \$97,173.00 in compensatory damages. Claimant also sought punitive damages, interest, costs, and attorney's fees.

Respondents requested dismissal of the Claimant's Statement of Claim in its entirety, expungement of their CRD records and costs of arbitration.

OTHER ISSUES CONSIDERED AND DECIDED

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. All of the Claimant's claims against Respondents William Joseph Gallagher, Lewis Akmakjian and Brian Harry Money are denied in their entirety. Respondents William Joseph Gallagher, Lewis Akmakjian and Brian Harry Money are dismissed with prejudice.
2. Respondent W. J. Gallagher & Co. is liable to and shall pay Claimant \$10,000.00 in compensatory damages.
3. Claimant's request for punitive damages is denied.
4. Each party shall bear its own costs of arbitration, including attorney's fees.
5. All relief requested and not granted is expressly 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	= \$ 150.00
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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 event of the dispute. Accordingly, the member firm W.J. Gallagher & Co. Inc. is a party and the following fees are assessed:

Member Surcharge	= \$ 1,000.00
Pre-Hearing Process Fee	= \$ 600.00
Hearing Process Fee	= \$ 1,500.00
Total Member Fees	= \$ 3,100.00

Adjournment Fees

The following adjournment fees are assessed:

May 30, 2000, adjournment requested by W.J. Gallagher & Co. Inc. = \$ 500.00

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:

One Pre-hearing conference session with a single arbitrator @ \$300.00/session = \$ 300.00
Pre-hearing conference: February 22, 2000 1 session

Two Pre-hearing conference sessions with the Panel @ \$500.00/session = \$ 1,000.00
Pre-hearing conferences: January 26, 2000 1 session
April 25, 2000 1 session

Eight Hearing sessions @ \$500.00/session = \$ 4,000.00
Hearings: June 26, 2000 2 sessions
June 27, 2000 2 sessions
June 28, 2000 2 sessions
June 29, 2000 2 sessions

Total Forum Fees = \$ 5,300.00

1. The Arbitration Panel has assessed \$ 2,650.00 of the forum fees to Claimant.
2. The Arbitration Panel has assessed \$ 2,650.00 of the forum fees to Respondent W. J. Gallagher & Co.

Administrative Costs

Administrative costs are expenses incurred because a party requested additional services beyond the normal administrative services. These additional services include, but are not limited to, additional copies of arbitrator awards, copies of audio transcripts, retrieval of documents from archives, interpreters, security, and sundry other requests.

Claimant Stalvey, requested photo copies: = \$ 30.00

Fee Summary

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

Initial Filing Fee	= \$ 150.00
Forum Fees	= \$ 2,650.00
<u>Administrative Costs</u>	<u>= \$ 30.00</u>
Total Fees	= \$ 2,830.00
<u>Less payments</u>	<u>= \$(1,250.00)</u>
Balance Due NASD Regulation, Inc.	= \$ 1,580.00

2. Respondent, W. J. Gallagher & Co. Inc., is charged with the following fees and costs:

Member Fees	= \$ 3,100.00
Adjournment Fee	= \$ 500.00
<u>Forum Fees</u>	<u>= \$ 2,650.00</u>
Total Fees	= \$ 6,250.00
<u>Less payments</u>	<u>= \$(570.00)</u>
Balance Due NASD Regulation, Inc.	= \$ 5,680.00

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

Concurring Arbitrators' Signatures



Daniel J. McCarthy, Jr.
Chair, Public Arbitrator

June 30, 2000
Signature Date

Robert J. Ruben, Esq.
Public Arbitrator

Signature Date

Richard L. Elliott
Non-Public Arbitrator

Signature Date

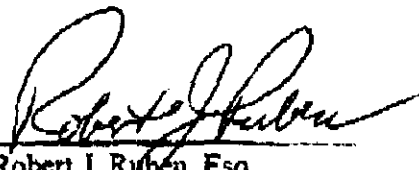
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Date of Service

NASD Regulation, Inc. Office of Dispute Resolution
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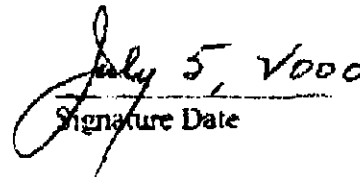
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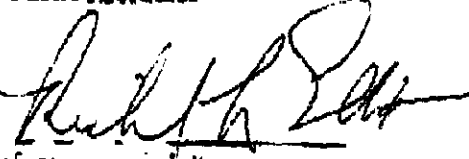
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7/1/00

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Date of Service