

Stipulated Award
NASD Dispute Resolution, Inc.

In the Matter of the Arbitration Between:

Bruce Johnson, Claimant v. Olde Discount Corporation, Drew Roth, Daniel Katzman, Ernest J. Olde, Stanley A. Snider, Andrew Paultanis, James S. Freeman, Randal J. Mudge, Michael S. Dzialo, and Daniel S. Patterson, Respondents

Case Number: 99-01110

Arbitration Site: Los Angeles, California

REPRESENTATION OF PARTIES

For Claimant Bruce Johnson:

Robert Uhl, Esq.
Aidikoff & Uhl
Beverly Hills, California

For Respondents Olde Discount Corporation,
Drew Roth, Andrew Paultanis, Randal J. Mudge,
Michael S. Dzialo, and Daniel S. Patterson:

Mitchell J. Albert, Esq.
Albert & Will, LLP
Torrance, California

For Respondent Ernest Olde:

Brian Smiley, Esq.
Page & Bacek, LLP
Atlanta, Georgia

For Respondent Stanley Snider:

Jeffrey W. Kilduff, Esq.
O'Melveny & Myers, LLP
Washington, D.C.

CASE INFORMATION

Statement of Claim filed: March 8, 1999

Claimant's Uniform Submission Agreement signed: March 5, 1999

Joint Statement of Answer filed by Respondents Olde Discount Corporation, Drew Roth, Andrew Paultanis, Randal J. Mudge, Michael S. Dzialo, and Daniel S. Patterson: July 12, 1999

Statement of Answer filed by Respondent Ernest Olde: August 11, 1999

Statement of Answer filed by Respondent Stanley Snider: May 28, 1999

Respondent Olde Discount Corporation's Uniform Submission Agreement signed: June 6, 1999

CASE SUMMARY

Claimant alleged fraud by misrepresentation and omission, unauthorized trading, excessive trading, churning, failure to supervise, control person liability, and breach of fiduciary duty. Claimant also alleged violations of federal and state securities law, NASD Rules of Fair Practice, and NYSE Rules. Claimant's allegations arose out of the purchase and/or sale of numerous securities.

The answering Respondents denied the allegations of wrongdoing set forth in the Claimant's Statement of Claim and/or denied jurisdiction by the NASD.

RELIEF REQUESTED

Claimant requested not less than \$30,000.00 in compensatory damages, punitive damages, interest, attorney's fees, and reimbursement for cost of arbitration. Claimant also requested reimbursement of Respondents' commissions and margin interest.

OTHER ISSUES CONSIDERED AND DECIDED

On August 26, 1999, NASD Dispute Resolution, Inc. transferred the case from Phoenix to Los Angeles pursuant to the parties stipulation to change venue.

On October 8, 1999, NASD Dispute Resolution, Inc. received notice that the parties have settled the matter and requested a Stipulated Award for the purpose of expunging certain Respondents' CRD records.

On August 23, 2000, NASD Dispute Resolution, Inc. received notice that the parties agreed to a single Arbitrator to resolve this matter. The parties have agreed to receive conformed copies of the Award while the originals remain on file with the NASD.

Respondents Drew Roth, Andrew Paultanis, James S. Freeman, Randal J. Mudge, Michael Stephen Dzialo, and Daniel Scott Patterson are required to submit to arbitration pursuant to the Code of Arbitration Procedure and are bound by the determination of the Arbitrator on all issues submitted.

The parties hereto agreed that a handwritten, signed Award may be entered.

AWARD

After considering the pleadings, and the stipulation reached by all parties, the Arbitrator decided in full and final resolution of the issues submitted for determination as follows:

1. The Arbitrator recommends the expungement of all reference to the above-captioned arbitration from Respondent Drew Roth's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 99-09, Respondent Drew Roth must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.
2. The Arbitrator recommends the expungement of all reference to the above-captioned arbitration from Respondent Andrew Paultanis' registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 99-09, Respondent Andrew Paultanis must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.
3. The Arbitrator recommends expungement of all reference to the above-captioned arbitration from Respondent James S. Freeman's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 99-09, Respondent James S. Freeman must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.
4. The Arbitrator recommends the expungement of all reference to the above-captioned arbitration from Respondent Randal J. Mudge's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 99-09, Respondent Randal J. Mudge must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.
5. The Arbitrator recommends the expungement of all reference to the above-captioned arbitration from Respondent Michael Stephen Dzialo's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 99-09, Respondent Michael Stephen Dzialo must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.
6. The Arbitrator recommends the expungement of all reference to the above-captioned arbitration from Respondent Daniel Scott Patterson's registration records maintained by the

NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 99-09, Respondent Daniel Scott Patterson must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

7. All other relief requested and not granted is expressly denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

Pursuant to Rule 10332 of the Code of Arbitration Procedure, NASD Dispute Resolution, Inc. received or will collect the non-refundable filing fees for each claim as follows:

| | |
|---------------------------|------------|
| Initial Claim Filing Fee: | = \$120.00 |
|---------------------------|------------|

Member Fees

Pursuant to Rule 10333 of the Code of Arbitration Procedure 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 Olde Discount Corporation is a party and the following fees are assessed:

| | |
|-------------------------------|-------------------|
| Member Surcharge | = \$800.00 |
| <u>Prehearing Process Fee</u> | <u>= \$600.00</u> |
| Total Member Fees | = \$1,400.00 |

Fee Summary

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

| | |
|----------------------|----------------------|
| Initial Filing Fee | = \$ 120.00 |
| <u>Less Payments</u> | <u>= \$ (650.00)</u> |
| Refund to Claimant | = \$ 530.00 |

2. Respondent Olde Discount Corporation is charged with the following fees and costs:

| | |
|---|----------------------|
| Member Fees | = \$1,400.00 |
| <u>Less Payments</u> | <u>= \$ (800.00)</u> |
| Balance Due NASD Dispute Resolution, Inc. | = \$ 600.00 |

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

Parties' Signatures



Robert Uhl, Esq.
Attorney for Claimant
Bruce Johnson

12/11/00

Date

Jeffrey W. Kilduff, Esq.
Attorney for Respondent
Stanley Allen Snider
Without Consenting to the
Jurisdiction of the NASD

Date

Mitchell J. Albert, Esq.
Attorney for Respondents
Olde Discount Corporation,
Drew Roth, Andrew Paultanis,
Randal J. Mudge, Michael Stephen
Dzialo and Daniel Scott Patterson

Date

Brian N. Smiley, Esq.
Attorneys for Respondent
Ernest Jacob Olde
Without Consenting to
Jurisdiction of the NASD

Date

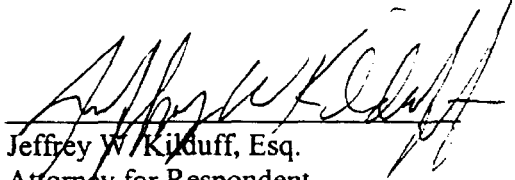
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Parties' Signatures

Robert Uhl, Esq.
Attorney for Claimant
Bruce Johnson

Date



Jeffrey W. Kilduff, Esq.
Attorney for Respondent
Stanley Allen Snider
Without Consenting to the
Jurisdiction of the NASD

Date

12/18/00

Mitchell J. Albert, Esq.
Attorney for Respondents
Olde Discount Corporation,
Drew Roth, Andrew Paultanis,
Randal J. Mudge, Michael Stephen
Dzialo and Daniel Scott Patterson

Date

Brian N. Smiley, Esq.
Attorneys for Respondent
Ernest Jacob Olde
Without Consenting to
Jurisdiction of the NASD

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Parties' Signatures

Robert Uhl, Esq.
Attorney for Claimant
Bruce Johnson

Date

Jeffrey W. Kilduff, Esq.
Attorney for Respondent
Stanley Allen Snider
Without Consenting to the
Jurisdiction of the NASD

Date



Mitchell J. Albert, Esq.
Attorney for Respondents
Olde Discount Corporation,
Drew Roth, Andrew Paultanis,
Randal J. Mudge, Michael Stephen
Dzialo and Daniel Scott Patterson

1/04/01
Date

Brian N. Smiley, Esq.
Attorneys for Respondent
Ernest Jacob Olde
Without Consenting to
Jurisdiction of the NASD

Date

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Attorney for Claimant
Bruce Johnson

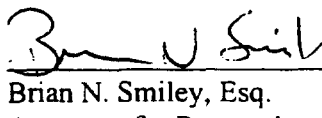
Date

Jeffrey W. Kilduff, Esq.
Attorney for Respondent
Stanley Allen Snider
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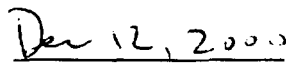
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Mitchell J. Albert, Esq.
Attorney for Respondents
Olde Discount Corporation,
Drew Roth, Andrew Paultanis,
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Date



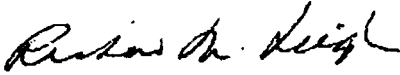
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Concurring Arbitrator's Signature



Richard M. Leigh, Sole Arbitrator

1/16/01
Date

2/8/01
Date of Service