

Stipulated Award
NASD Regulation, Inc.

In the Matter of the Arbitration Between:

Fortress Financial Group, Ltd., Claimant v. Sun Cut Floral Network, Inc., Respondent.

Case Number: 99-01122

Hearing Site: Los Angeles, California

REPRESENTATION OF PARTIES

For Claimant:

Simon S. Kogan, Esq.
Kogan & Taubman
New York, New York

For Respondent:

Frank Marra
Sun Cut Floral Network, Inc.
Los Angeles, California

CASE INFORMATION

Statement of Claim filed: February 22, 1999

Claimant's Uniform Submission Agreement signed: February 23, 1999

Statement of Answer filed by Respondent: May 29, 1999

Respondent's Uniform Submission Agreement signed: June 1, 1999

CASE SUMMARY

Claimant alleged fraud, breach of contract, and violations of state and federal securities laws.

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

RELIEF REQUESTED

Claimant requested an unspecified amount in compensatory damages and an order removing the restrictive legend on the 100,000.00 share certificate of Sun Cut Floral Network common stock.

Respondent requested dismissal of the Claimant's Statement of Claim in its entirety, an unspecified amount in compensatory damages, and the return of a second stock certificate.

OTHER ISSUES CONSIDERED AND DECIDED

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

The parties have agreed to the following resolution of terms:

1. Respondent Sun Cut Financial Network, Inc. shall pay Claimant Fortress Financial Group, Ltd. \$120,000.00.
2. Respondent Sun Cut Financial Network, Inc. shall have a stay of ninety (90) days before Claimant shall confirm the Award.
3. For the purpose of removing the restrictive legend, the parties have agreed that the shares were issued on August 7, 1998.

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

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 Fortress Financial Group, Ltd. is a party and the following fees are assessed:

Member Surcharge	= \$ 1,200.00
Pre-Hearing Process Fee	= \$ 600.00
<u>Hearing Process Fee</u>	<u>= \$ 2,000.00</u>
Total Member Fees	= \$ 3,800.00

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 the Panel @ \$600.00	= \$ 600.00
Pre-hearing conference: December 10, 1999 1 session	
One Hearing sessions @ \$600.00	= \$ 600.00
Hearing: April 6, 2000 1 session	
Total Forum Fees	= \$ 1,200.00

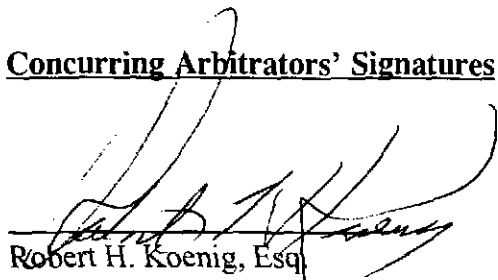
1. In accordance with the stipulation of the parties \$1,200.00 of the forum fees is charged to Fortress Financial Group, Ltd.

Fee Summary

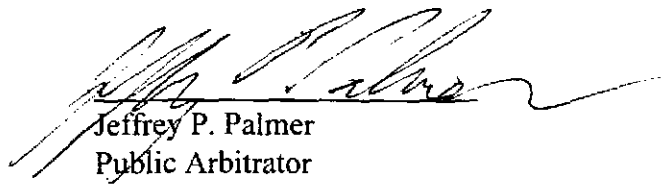
1. Claimant Fortress Financial Group, Ltd. is charged with the following fees and costs:	
Initial Filing Fee	= \$ 500.00
Member Fees	= \$ 3,800.00
<u>Forum Fees</u>	<u>= \$ 1,200.00</u>
Total Fees	= \$ 5,500.00
<u>Less payments</u>	<u>= \$(1,100.00)</u>
Balance Due NASD Regulation, Inc.	= \$ 4,400.00

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

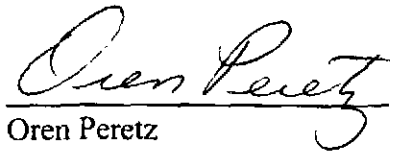
Concurring Arbitrators' Signatures


Robert H. Koenig, Esq.
Chair, Public Arbitrator

4/6/00
Signature Date


Jeffrey P. Palmer
Public Arbitrator

4-6-00
Signature Date


Oren Peretz
Industry/Non-Public Arbitrator

4-6-00
Signature Date

4/6/00
Date of Service