

Award
NASD Dispute Resolution, Inc.

In the Matter of the Arbitration Between:

Robert C. Croyle, Marie E. Croyle, Janice Dreshar, Ruth Kowatch (individually and on behalf of the Ruth Kowatch IRA), Terence McCafferty, and Raymond L. Weigel, Claimants vs. Prim Securities, Inc., formerly known as Chapel Hill Securities, Inc., Michael C. Brady, and Joseph Lombardo, Respondents.

Case Number: 99-03077 Hearing Site: Cleveland, Ohio

REPRESENTATION OF PARTIES

Claimants, Robert C. Croyle and Marie E. Croyle (Croyle), Janice Dreshar (Dreshar), Ruth Kowatch (individually and on behalf of the Ruth Kowatch IRA) (Kowatch), Terence McCafferty (McCafferty), and Raymond L. Weigel (Weigel) (hereinafter collectively referred to as "Claimants"), were represented by Eric A. Lanigan, Esquire, Winter Park, Florida.

Respondents, Prim Securities, Inc. ("Prim"), Michael C. Brady ("Brady"), and Joseph Lombardo ("Lombardo") (collectively referred to as "Respondents") were represented by William J. Muniak, Esquire, of Janik & Dorman, Cleveland, Ohio.

CASE INFORMATION

Claimants' Joint Statement of Claim was filed on or about July 6, 1999.
All Claimants signed but did not date the Uniform Submission Agreement.

Respondent, Prim Securities, Inc., filed its Statement of Answer on or about September 23, 1999.
Beth Michel, Vice President, Operations, for Respondent, Prim Securities, Inc., signed the Uniform Submission Agreement on September 21, 1999.

Claimants filed a Motion to Amend the Statement of Claim, adding Respondents Michael C. Brady and Joseph Lombardo, on or about March 21, 2000.
The Panel granted Claimants' Motion on April 5, 2000.

Respondent, Prim Securities, Inc., filed its Statement of Answer to Amended Statement of Claim on or about May 9, 2000.

Respondents, Michael C. Brady and Joseph Lombardo, filed their Joint Answer to Amended Statement of Claim on or about June 12, 2000.
Respondents Brady and Lombardo did not sign the Uniform Submission Agreement.

CASE SUMMARY

Claimants made the following allegations in their Statement of Claim and Amended Statement of Claim: violations of state and federal securities registration requirements; false representations and material omissions; and failure to exercise due diligence. These claims involved the purchase by Claimants of the following securities: First Fidelity Acceptance Corporation (FFAC) and FFAC Auto Receivables, Inc.

Respondents denied all liability to Claimants and asserted various affirmative defenses, including: failure to state a claim; violation of the applicable statute of limitations; failure to join necessary and indispensable parties; contributory negligence; assumption of the risk; estoppel; waiver; unclean hands; and ratification.

RELIEF REQUESTED

Claimants requested:

Compensatory Damages	\$193,715.72
Punitive Damages	\$300,000.00
Interest	unspecified
Other Costs	unspecified

Claimants also requested rescission of their securities purchases.

Respondents requested that Claimants' Joint Statement of Claim and Amended Statement of Claim be dismissed in their entirety and that they be awarded their attorney's fees and costs in connection with the matter.

OTHER ISSUES CONSIDERED AND DECIDED

Prior to the Hearing, Claimants voluntarily dismissed all claims against Respondents Brady and Lombardo.

At the hearing, Claimants moved to preclude certain evidence. Claimants and Respondent, Prim Securities, Inc., resolved the Motion without a ruling from the Panel.

During the course of the hearing, Claimants and the sole remaining Respondent, Prim Securities, Inc., settled all remaining claims. The award below is entered to reflect that Respondents Brady and Lombardo were dismissed prior to the hearing, and that all outstanding claims against Prim were resolved by settlement.

AWARD

Respondents Michael C. Brady and Joseph Lombardo were dismissed with prejudice prior to the hearing.

Pursuant to an agreement between Claimants and Respondent, Prim Securities, Inc., the Panel has decided in full and final resolution of the issues submitted for their determination as follows:

Pursuant to a settlement between Claimants, Robert C. Croyle, Marie E. Croyle, Janice Dreshar, Ruth Kowatch (individually and on behalf of the Ruth Kowatch IRA), Terence McCafferty, and Raymond L. Weigel, and Respondent, Prim Securities, Inc., Claimants' Joint Statement of Claim and Amended Statement of Claim are dismissed in their entirety, with prejudice.

Any and all relief not specifically addressed herein, including punitive damages, is denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

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

Initial claim filing fee	= \$ 300
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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 is Prim Securities, Inc.

Member surcharge	= \$1,500
Pre-hearing process fee	= \$ 600
Hearing process fee	= \$2,500

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 arbitrator(s), including a pre-hearing conference with the arbitrator(s), that lasts four (4) hours or less. Fees associated with these proceedings are:

Three (3) Pre-hearing conferences with Panel x \$1,125 = \$3,375

Pre-hearing conferences: April 5, 2000 1 session

October 25, 2000 1 session

November 28, 2000 1 session

Two (2) Hearing sessions x \$1,125 = \$2,250

Hearing Dates: November 29, 2000 2 sessions

Total Forum Fees = \$5,625

The Panel has assessed \$3,375 in Forum Fees to Claimants and \$2,250 in Forum Fees to Respondent, Prim Securities, Inc.

Fee Summary

1. Claimants be and hereby are jointly and severally liable for:

Initial Filing Fee = \$ 300

Forum Fees = \$3,375

Total Fees = \$3,675

Less payments = \$1,425

Balance Due NASD Dispute Resolution, Inc. = \$2,250

2. Respondent, Prim Securities, Inc., be and hereby is solely liable for:

Member Fees = \$4,600

Forum Fees = \$2,250

Total Fees = \$6,850

Less payments = \$4,600

Balance Due NASD Dispute Resolution, Inc. = \$2,250

All balances are due to NASD Dispute Resolution, Inc.

Concurring Arbitrators' Signatures

Robert Rapp
Robert Rapp, Esq.
Public Arbitrator, Presiding Chair

February 6, 2001

Signature Date

Thomas C. Wagner
Thomas C. Wagner, Esq.
Public Arbitrator

February 6, 2001

Signature Date

Sherry L. Bruce
Sherry L. Bruce
Non-Public Arbitrator

February 7, 2001

Signature Date

February 12, 2001

Date of Service (For NASD-DR office use only)

NASD-DR Award

Robert C. Croyle, et al vs. Prim Securities, Inc., Michael C. Brady, et al

Arbitration # 99-03077

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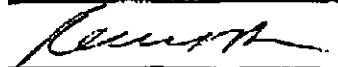
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 Robert Rapp, Esq.
 Public Arbitrator, Presiding Chair

Feb. 6, 2001
 Signature Date

 Thomas C. Wagner, Esq.
 Public Arbitrator

 Signature Date

 Sherry L. Bruce
 Non-Public Arbitrator

 Signature Date

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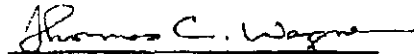
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Concurring Arbitrators' Signatures

Robert Rapp, Esq. Public Arbitrator, Presiding Chair	Signature Date
 Thomas C. Wagner, Esq. Public Arbitrator	2/6/01 Signature Date
Sherry L. Bruce Non-Public Arbitrator	Signature Date

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Balance Due NASD Dispute Resolution, Inc. = \$2,250

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Forum Fees = \$2,250

Total Fees = \$6,850

Less payments = \$4,600

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Concurring Arbitrators' Signatures

Robert Rapp, Esq.
Public Arbitrator, Presiding Chair

Signature Date

Thomas C. Wagner, Esq.
Public Arbitrator

Signature Date


Sherry L. Bruce
Non-Public Arbitrator

Signature Date 2/7/01

Date of Service (For NASD-DR office use only)