

**Stipulated Award
NASD Dispute Resolution, Inc.**

In the Matter of the Arbitration Between:

BEVERLY L. ZWARYCH,

Claimant,

-VS-

GARY LEE WALES, J. WILL PAULL,
CLARK F. COLTON, WILLIAM GREGG,
DENNIS BROWN, ROBERT BOONE,
KENNETH D. WARNICK and MARINER
FINANCIAL SERVICES, INC.,

Respondents.

Case Number: 99-03273

Hearing Site: Detroit, Michigan

REPRESENTATION OF PARTIES

Claimant, Beverly L. Zwarych ("Claimant"): Anthony V. Trogan, Esq., 7031 Orchard Lake Road, Suite 203, West Bloomfield, MI 48322

Respondent Gary Lee Wales: Dean J. Groulx, Esq., Nine & Groulx, 100 W. Long Lake Rd., Suite 102, Bloomfield Hills, MI 48304-2773

Respondents J. Will Paull, Clark F. Colton, William Gregg, Dennis Brown, Robert Boone and Kenneth D. Warnick: Matthew W. Schlegel, Esq., Kupelian Ormond & Magy, 25800 Northwestern Highway, Suite 950, Southfield, MI 48075

Respondent Mariner Financial Services, Inc. ("Mariner"): Thomas R. Cox, Esq., Miller Canfield, 150 West Jefferson, Suite 2500, Detroit, Michigan 48226

CASE INFORMATION

Statement of Claim filed on or about July 14, 1999. Claimant, Beverly Zwarych, signed the Uniform Submission Agreement: July 12, 1999.

Statement of Answer filed by Respondent, Gary Wales, on or about October 12, 1999.

Statement of Answer filed by Respondents Mariner, Paull, Colton, Gregg, Brown, Boone and Warnick on or about September 30, 1999. Claimant withdrew her claims against all Respondents with prejudice on or about September 19, 2000.

CASE SUMMARY

Claimants asserted the following causes of action: breach of contract, fraud, conspiracy, promissory estoppel, conversion, negligence, malpractice, breach of fiduciary duty, breach of Michigan securities law, and violation of Michigan Consumer's Protection Law.

Respondents denied the allegations made in the Statement of Claim and asserted legal and factual defenses to the claims.

RELIEF REQUESTED

Claimant requested:

Compensatory Damages	\$85,000
Punitive Damages	Unspecified
Interest	12%
Attorneys' Fees	Unspecified
Other Costs	Unspecified
Other Monetary/Non-Monetary Relief	Unspecified

if any:

Respondents requested dismissal of Claimants' claims, costs and attorneys' fees.

OTHER ISSUES CONSIDERED AND DECIDED

Respondent Mariner filed a Motion to Dismiss on or about April 17, 2000.

Respondent Wales filed a Motion to Dismiss on or about May 22, 2000.

The Panel denied Respondent Mariner's Motion to Dismiss on or about June 5, 2000.

Respondents Colton, Paull, Boone, Gregg, Warnick and Brown filed a Motion for Summary Disposition on or about August 11, 2000.

Claimant, having had an opportunity to review the records and documents produced in prehearing discovery and discuss the contents thereof with her counsel, stipulates and agrees with Respondents to the expungement of all reference to the above-captioned arbitration from all registration records of Respondents GARY LEE WALES, J. WILL PAULL, CLARK F. COLTON, WILLIAM GREGG, DENNIS BROWN, ROBERT BOONE, and KENNETH D. WARNICK maintained by the NASD Central Registration Depository ("CRD"), with the understanding that, pursuant to NASD Notice to Members 99-09, Respondents must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive; and

Claimants have agreed to withdraw and dismiss all claims in the above-entitled case against GARY LEE WALES, J. WILL PAULL, CLARK F. COLTON, WILLIAM GREGG, DENNIS BROWN, ROBERT BOONE, KENNETH D. WARNICK and MARINER FINANCIAL SERVICES, INC., with prejudice and without costs.

The parties have further 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 parties' submissions, representations and stipulations, but without making any findings of fact or conclusions of law, the undersigned arbitrators order as follows:

- 1) All claims having been withdrawn, the same are hereby dismissed with prejudice and without costs, except as specified hereinafter.
- 2) The panel recommends the expungement of any and all references to the above captioned arbitration from Respondents GARY LEE WALES, J. WILL PAULL, CLARK F. COLTON, WILLIAM GREGG, DENNIS BROWN, ROBERT BOONE, and KENNETH D. WARNICK's registration records maintained by the CRD, with the understanding that pursuant to NASD Notice to Members 99-09, Respondents must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.
- 3) That any relief not specifically enumerated, including punitive damages, is hereby denied with prejudice.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

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

Initial claim filing fee	=	\$ 225.00
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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(s) that employed the associated person(s) at the time of the event(s) giving rise to the dispute. In this matter, the member firm, Mariner Financial Services, Inc., is a party.

Member surcharge	=	\$ 0.00
Pre-hearing process fee	=	\$ 600.00
Hearing process fee	=	\$1,500.00

Adjournment Fees

Adjournments requested during these proceedings:

July 20-21, 2000, adjournment by Respondents Paull, Boone, Brown, Warnick, Gregg and Colton.	=	\$ 750.00 (Waived by Panel)
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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:

Two (2) Pre-hearing session(s) with a single arbitrator x \$450.00	= \$900.00
Pre-hearing conferences: July 26, 2000 1 session	
August 3, 2000 1 session	

Two (2) Pre-hearing session(s) with Panel x \$750.00	= \$1,500.00
Pre-hearing conferences: April 3, 2000 1 session	
May 16, 2000 1 session	

Total Forum Fees	= \$2,400.00
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The Panel has assessed \$600.00 of the forum fees solely to Respondent Mariner Financial Services, Inc.

The Panel has assessed \$600.00 of the forum fees solely to Respondent Gary Lee Wales.

The Panel has assessed \$600.00 of the forum fees jointly to Respondents Paull, Boone, Brown, Warnick, Gregg and Colton.

The Panel has assessed \$750.00 of the forum fees jointly to Claimants, pursuant to NASD Regulation, Inc. Code of Arbitration Procedure Rule 10332(f).

Fee Summary

Claimant is liable for:

Initial Filing Fee	=	\$ 225.00
Forum Fees	=	\$ 750.00
Total Fees	=	\$ 975.00
Less payments	=	\$ 975.00
Balance due NASD Dispute Resolution, Inc.	=	\$ 0.00

Respondent, Mariner Financial Services, Inc., be and hereby is solely liable for:

Member Fees	=	\$2,100.00*
Forum Fees	=	\$ 600.00
Total Fees	=	\$2,700.00
Less payments	=	\$ 0.00
Balance due NASD Dispute Resolution, Inc.	=	\$2,700.00

Respondent, Gary Lee Wales, be and hereby is solely liable for:

Forum Fees	=	\$ 600.00
Total Fees	=	\$ 600.00
Less payments	=	\$ 600.00
Balance due NASD Dispute Resolution, Inc.	=	\$ 0.00

Respondents Paull, Boone, Brown, Warnick, Gregg and Colton, be and hereby are jointly and severally liable for:

Forum Fees	=	\$	600.00
Total Fees	=	\$	600.00
Less payments		\$	600.00
Balance Due NASD Dispute Resolution, Inc.		\$	0

All balances are due to NASD Dispute Resolution, Inc.

ARBITRATION PANEL

Michael J. Sullivan – Public Arbitrator, Presiding Chair
Barry Goldman – Public Arbitrator
Nancy R. Papo – Non-Public Arbitrator

Concurring Arbitrators' Signatures

<u>/s/</u>	<u>05/03/02</u>
Michael J. Sullivan Public Arbitrator, Presiding Chair	Signature Date
<u>/s/</u>	<u>05/03/02</u>
Barry Goldman Public Arbitrator	Signature Date
<u>/s/</u>	<u>05/03/02</u>
Nancy R. Papo Non-Public Arbitrator	Signature Date

05/03/02
Date of Service (For NASD office use only)

*Mariner submits that it has not been a member of the National Association of Securities Dealers ("NASD") since November 25, 1997, dissolved as a corporation on November 5, 1999, and consequently is not obligated to pay this amount. NASD Dispute Resolution, Inc. has nonetheless insisted on making this assessment.

May 03 02 03:57p

Barry Goldman

05/03/02 FRI 13:32 FAX

NASD REGULATION

248-932-3832

P. 2
007

NASD Dispute Resolution, Inc.
Arbitration # 99-03273
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Respondents Paul, Boone, Brown, Warnick, Gregg and Colton, be and hereby are jointly and severally liable for:

Forum Fees	=	\$ 600.00
Total Fees	=	\$ 600.00
Less payments		\$ 600.00
Balance Due NASD Dispute Resolution, Inc.		\$ 0

All balances are due to NASD Dispute Resolution, Inc.

ARBITRATION PANEL

Michael J. Sullivan - Public Arbitrator, Presiding Chair

Barry Goldman - Public Arbitrator

Nancy R. Papo - Non-Public Arbitrator

Concurring Arbitrators' Signatures

Michael J. Sullivan
Public Arbitrator, Presiding Chair

Signature Date

5/3/02

Barry Goldman
Public Arbitrator

Signature Date

Nancy R. Papo
Non-Public Arbitrator

Signature Date

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NASD Dispute Resolution, Inc.
 Arbitration # 99-03273
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Respondents Paull, Boone, Brown, Warnick, Gregg and Colton, be and hereby are jointly and severally liable for:

Forum Fees	=	\$	600.00
Total Fees	=	\$	600.00
Less payments		\$	600.00
Balance Due NASD Dispute Resolution, Inc.		\$	0

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 Barry Goldman - Public Arbitrator
 Nancy R. Papo - Non-Public Arbitrator

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 Barry Goldman
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 Signature Date


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NASD Dispute Resolution, Inc.
Arbitration # 99-03273
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Respondents Paul, Boone, Brown, Warnick, Gregg and Colton, be and hereby are jointly and severally liable for:

Forum Fees	=	\$ 600.00
Total Fees	=	\$ 600.00
Less payments		\$ 600.00
Balance Due NASD Dispute Resolution, Inc.		\$ 0

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Michael J. Sullivan - Public Arbitrator, Presiding Chair
Barry Goldman - Public Arbitrator
Nancy R. Papo - Non-Public Arbitrator

Concurring Arbitrators' Signatures



Michael J. Sullivan
Public Arbitrator, Presiding Chair

5/3/02

Signature Date

Barry Goldman
Public Arbitrator

Signature Date

Nancy R. Papo
Non-Public Arbitrator

Signature Date

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