

Award
NASD Dispute Resolution, Inc.

In the Matter of the Arbitration Between

Name of Claimant

Lisa F. Cassady

vs.

Case No. 99-03334

Name of Respondents

Robert Frank Toth
Craig Michael Biddick
Todd Steven Feinstein
Centex Securities Corporation

REPRESENTATION OF PARTIES

Claimant, Lisa F. Cassady, hereinafter referred to as "Claimant": M. David Sayid, Esq., Sayid & Associates, New York, New York

Respondents, Centex Securities Corporation ("Centex") and Craig M. Biddick ("Biddick"):
John P. Cione, Solana Beach, California

Respondent, Todd Steven Feinstein ("Feinstein"), appeared *pro se*.

Respondent, Robert Frank Toth ("Toth"), did not appear.

CASE INFORMATION

Statement of Claim filed on or about: July 21, 1999

Claimant signed the Uniform Submission Agreement: September 9, 1999

Statement of Answer filed by Respondents, Centex and Biddick, on or about: January 11, 2000

Statement of Answer filed by Respondent Feinstein on or about: December 28, 1999.

Respondent Toth did not file a Statement of Answer nor an agreement to arbitrate.

Respondent, Biddick, signed the Uniform Submission Agreement: November 5, 1999

Respondent, Centex, signed the Uniform Submission Agreement: November 5, 1999

Respondents Centex and Biddick filed a Counterclaim on or about: July 17, 2000

Claimant filed a Statement of Answer to the Counterclaim on or about: July 25, 2000

CASE SUMMARY

Claimant asserted the following causes of action: failure to execute the sale of securities as directed by Claimant; breach of fiduciary duty; breach of written contract; and negligence. The causes of action relate to the sale execution of Appletree Art Publishers, Inc.

Unless specifically admitted in its Answer, Respondents Biddick, Centex and Feinstein, denied the allegations made in the Statement of Claim and asserted the following defenses: failure to state a claim; laches or unclean hands; superseding cause; assumption of risk; estoppel and waiver; failure to mitigate; justification, excuse and privilege; and various statutes of limitation.

Respondent Toth did not submit a Statement of Answer.

RELIEF REQUESTED

Claimant requested:

Compensatory Damages	\$15,000
Punitive Damages	\$45,000
Attorneys' Fees	\$10,000
Other Costs	Amount Not Specified
Non-Monetary Relief if any:	Disciplinary Referral

Respondents Biddick and Centex requested:

Compensatory Damages	\$20,134
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OTHER ISSUES CONSIDERED AND DECIDED

Upon review of the file and the representations made by/on behalf of the Claimant, the undersigned arbitrators (the "Panel") determined that Respondent Toth has been properly served with the Statement of Claim and received due notice of the hearing, and that arbitration of the matter would proceed without said Respondent present, in accordance with the NASD-DR Code of Arbitration Procedure (the "Code").

Respondents Feinstein and Toth did not file with the NASD Dispute Resolution, Inc. properly executed submissions to arbitration but are required to submit to arbitration pursuant to the Code and are bound by the determination of the Panel on all issues submitted.

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.

The Panel considered Respondent Feinstein's renewed Motion to Dismiss, as well as all responsive arguments made thereto, and after reserving judgment on the Motion, determined that it should be granted. Therefore, Respondent Feinstein is dismissed and in response to his request for expungement of all references to this arbitration from his registration records

maintained by the NASD Central Registration Depository, the Panel strongly makes that recommendation.

AWARD

After considering the pleadings, the testimony and evidence presented at the hearing, the Panel decided in full and final resolution of the issues submitted for determination as follows:

1. – That Respondents Centex and Toth are jointly and severally liable to and shall pay to Claimant \$12,000; and
2. That each party shall pay its' own costs and expenses, including attorneys' fees, with the exception of forum fees as specified below; and
3. That the Counterclaim asserted by Biddick and Centex is denied; and
4. That all claims asserted against Feinstein are dismissed, and the Panel strongly recommends the expungement of all reference to the above captioned arbitration from Respondent Feinstein's registration records maintained by the NASD CRD, with the understanding that pursuant to NASD Notice to Members 99-09, Respondent Feinstein must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive; and
5. That 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	= \$225
Counterclaim filing fee	= \$750

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 is a party.

Member surcharge	= \$1,000
Pre-hearing process fee	= \$600
Hearing process fee	= \$1,500

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:

2 Pre-hearing sessions with Panel x \$750			= \$1,500
Pre-hearing conferences:	May 4, 2000	1 session	
	October 23, 2000	1 session	
4 Hearing sessions x \$750			= <u>\$3,000</u>
Hearing Dates:	October 30, 2000	2 sessions	
	October 31, 2000	2 sessions	
Total Forum Fees			= \$4,500

The Panel assessed \$4,500 of the forum fees to Respondents Centex and Toth, jointly and severally.

Fee Summary

Claimant is solely liable for:	
Initial Filing Fee	= \$225
Total Fees	= \$225
Less payments	= <u>\$1,100</u>
Refund to Claimant	= \$875

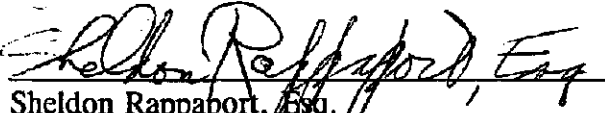
Respondent, Centex, be and hereby is solely liable for:	
Member Fees	= \$3,100
Total Fees	= \$3,100
Less payments	= <u>\$1,600</u>
Balance Due NASD Dispute Resolution, Inc.	= \$1,500

Respondents, Centex and Biddick, are jointly and severally liable for:	
Counterclaim filing fee	= \$750
Less payments	= \$750
Balance Due NASD Dispute Resolution, Inc.	= \$-0-

Respondents, Centex and Toth, are jointly and severally liable for:	
Forum Fees	= \$4,500
Less payments	= \$450
Balance Due NASD Dispute Resolution, Inc.	= \$4,050

All balances are due and payable to NASD Dispute Resolution, Inc.

CONCURRING ARBITRATORS' SIGNATURES


Sheldon Rappaport, Esq.
Public Arbitrator, Presiding Chairman

11/8/00
Date Signed

Samuel A. Alward
Public Arbitrator

Date Signed

O. Ray Vass
Industry Arbitrator

Date Signed

December 1, 2000
Date of Service (For NASD-DR office use only)

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Public Arbitrator, Presiding Chairman

Date Signed

Samuel A. Alward

Samuel A. Alward
Public Arbitrator

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Date Signed

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Industry Arbitrator

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1. – That Respondents Centex and Toth are jointly and severally liable to and shall pay to Claimant \$12,000; and
2. That each party shall pay its' own costs and expenses, including attorneys' fees, with the exception of forum fees as specified below; and
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4. That all claims asserted against Feinstein are dismissed, and the Panel strongly recommends the expungement of all reference to the above captioned arbitration from Respondent Feinstein's registration records maintained by the NASD CRD, with the understanding that pursuant to NASD Notice to Members 99-09, Respondent Feinstein must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive; and
5. That any and all relief not specifically addressed herein, including punitive damages, is denied.

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Member Fees	= \$3,100
Total Fees	= \$3,100
Less payments	= <u>\$1,600</u>
Balance Due NASD Dispute Resolution, Inc.	= \$1,500

Respondents, Centex and Biddick, are jointly and severally liable for:

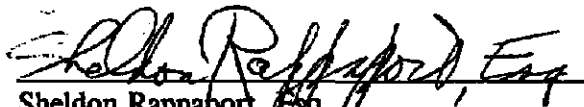
Counterclaim filing fee	= \$750
Less payments	= \$750
Balance Due NASD Dispute Resolution, Inc.	= \$-0-

Respondents, Centex and Toth, are jointly and severally liable for:

Forum Fees	= \$4,500
Less payments	= \$450
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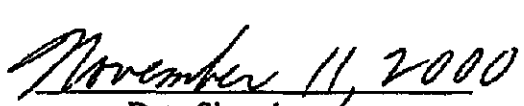
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