

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Richard McLaughlin & Susan McLaughlin et al vs. Stock USA, Inc., Computer Clearing Services, Inc., et al

Case Number: 99-03998

Hearing Site: Los Angeles, California

REPRESENTATION OF PARTIES

For Claimants:

Helen M. Yucka

Steven L. Miller, Esq.
Law Offices of Steven Miller
Woodland Hills, California

Helen M. Yucka Declaration of Trust

Steven L. Miller, Esq.
Law Offices of Steven Miller
Woodland Hills, California

Richard and Susan McLaughlin

Jon R. Kniss, Esq.
Torrance, California

For Respondents:

Stock USA , Inc.

Cynthia M. Schleindl, Esq.
Miller Milove & Kob
San Diego, California

Ralph O. Mann

Cynthia M. Schleindl, Esq.
Miller Milove & Kob
San Diego, California

Computer Clearing Services, Inc.

Richard W. Smirl, Esq.
Keesal, Young & Logan
Long Beach, California

Bill Paul Evans

In propria persona
Torrance, California

Arthur M. Quintero

In propria persona
Anaheim, California

CASE INFORMATION

Statement of Claim filed: August 27, 1999.

Claimants' Uniform Submission Agreement received: August 25, 1999.

Statement of Answer of Respondents Stock USA, Inc., Ralph Oliver Mann and Arthur Quintero to Claimants' Statement of Claim; Counterclaim of Stock USA, Inc. Against Claimants; and Third Party Claim of Stock USA, Inc. Against Bill Paul Evans, a.k.a. Bill Paul Bye, a.k.a. Bill Paul Sparrow filed November 26, 1999.

Respondent Stock USA, Inc.'s Uniform Submission Agreement signed: March 2, 2000.

Respondent Ralph O. Mann's Uniform Submission Agreement signed: March 2, 2000.

Respondent Arthur M. Quintero's Uniform Submission Agreement signed: March 2, 2000.

Motion to Dismiss All Claims of Claimants filed by Respondents Stock USA, Inc., Ralph Oliver Mann and Arthur Quintero: August 18, 2000.

CASE SUMMARY

Claimants alleged breach of fiduciary duty, negligence, excessive trading, fraud, and elder abuse in connection with Claimants' stock accounts with Stock USA, Inc.

Respondents denied the allegations of wrongdoing set forth in the Claimants' Statement of Claim.

RELIEF REQUESTED

Claimants requested \$557,042.00 in compensatory damages, an amount of up to three times greater than the actual damages awarded for the elder abuse claim, punitive damages, interest, and reimbursement for arbitration costs, including attorneys' fees.

Respondents requested dismissal of the Claimants' Statement of Claim in its entirety. Stock USA, Inc.'s counterclaim requested indemnification from Claimants and Counter Respondents' Richard and Susan McLaughlin and Helen M. Yucka for all expenses, costs damages, claims, suite and/or proceedings. Stock USA, Inc.'s Third-party claim against Third-party Respondent Bill Paul Evans, a.k.a. Bill Paul Bye, a.k.a. Bill Paul Sparrow, requested indemnification for all expenses, costs damages, claims, suite and/or proceedings.

OTHER ISSUES CONSIDERED AND DECIDED

On February 25, 2000, Claimants' dismissed Respondent Computer Clearing Services, Inc.

Respondents Stock USA, Inc., Ralph Oliver Mann and Arthur Quintero filed a Motion to Dismiss All Claims of Claimants on August 18, 2000. The Arbitration Panel denied the Motion to Dismiss on September 18, 2000.

On August 27, 2002, Claimants Helen M. Yucka and Helen M. Yucka Declaration of Trust dismissed their claims against all Respondents.

On January 27, 2003, the Panel met for the purpose of deciding whether the arbitration proceeding should be dismissed with prejudice. The Panel having found that NASD Dispute Resolution Staff sent written notices to all parties requested status reports in January 2002, August 2002 and September of 2002 and NASD Dispute Resolution Staff having personally called Claimants and/or their counsel on January 16, 2002, September 18, 2002, September 25, 2002 and that Claimants and/or their counsel failed to respond to NASD Dispute Resolution. The Panel ordered NASD Dispute Resolution to dismiss the case with prejudice unless, within thirty (30) calendar days from the date of service of its FINAL ORDER, Claimants made an application to the Panel on good cause shown to vacate the FINAL ORDER. On February 12, 2003, NASD Dispute Resolution served the Panel's FINAL ORDER on all parties. As of April 8, 2003, no response was filed by any of the parties and the Panel ordered the case dismissed with prejudice.

The parties agreed that the Award in this matter may be executed in counterpart copies or that a handwritten, signed Award may be entered.

AWARD

In accordance with the Panel's FINAL ORDER issued on February 12, 2003, the Panel decided *in full and final resolution of the issues submitted for determination as follows:*

- 1) Claimants' Statement of Claim is dismissed with prejudice.
- 2) The parties shall bear their respective costs, including attorney's fees.
- 3) All other relief requested and not expressly granted is denied.

FEES

Pursuant to the Code of Arbitration Procedure ("Code"), the following fees are assessed:

Filing Fees

NASD Dispute Resolution received or will collect the non-refundable filing fees for each claim as follows:

Initial Claim Filing Fee	= \$ 375.00
Counter-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 events that gave rise to the dispute, claim, or controversy. Accordingly, the member firms Computer Clearing Services, Inc. and Stock USA, Inc. are parties and the following fees are assessed:

Computer Clearing Services, Inc.

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

Stock USA, Inc.

Member Surcharge	= \$ 2,000.00
Pre-Hearing Process Fee	= \$ 600.00
<u>Hearing Process Fee</u>	= \$ 3,500.00
Total Member Fees	= \$ 6,100.00

Adjournment Fees

The following adjournment fees are assessed:

January 08, 2001 – January 11, 2001 hearing dates; Stipulated adjournment request of Claimants Richard and Susan McLaughlin, Claimant Helen M. Yucka, Helen M. Yucka Declaration of Trust, and Respondents Stock USA, Inc., Ralph Oliver Mann and Arthur Quintero	= \$ 1, 200.00
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The Panel assessed \$1,200.00 of the adjournment fees jointly and severally to the stipulating parties.

Forum Fees and Assessments

The Panel has assessed forum fees for each session conducted. A session is any meeting between the parties and the Panel or Chairperson, including a pre-hearing conference, that lasts four (4) hours or less. The following fees are assessed:

(2) Pre-hearing conference sessions with the Panel @ \$ 1,200.00/session	= \$ 2,400.00
Pre-hearing conferences: August 1, 2000	1 session
September 15, 2000	1 session

Total Forum Fees	= \$ 2,400.00
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1. The Panel assessed \$1,800.00 of the forum fees jointly and severally to Claimants Richard and Susan McLaughlin.
2. The Panel assessed \$600.00 of the forum fees jointly and severally to Respondents Stock USA, Inc., Ralph Oliver Mann and Arthur Quintero.

Fee Summary

1. Claimants Helen M. Yucka, Helen M. Yucka Declaration of Trust, and Richard and Susan McLaughlin are charged with the following fees and costs:

Initial Filing Fee	= \$ 375.00
<u>Less payments</u>	= \$ (1,575.00)
Refund Due Claimant Helen M. Yucka	= \$ (1,200.00)

2. Claimants Richard and Susan McLaughlin are charged jointly and severally with the following fees and costs:

Forum Fees	= \$ 1,800.00
<u>Less payments</u>	= \$ (0.00)
Balance Due NASD Dispute Resolution	= \$ 1,800.00

3. Respondent Computer Clearing Services, Inc. is charged with the following fees and costs:

Member Fees	= \$ 2,600.00
<u>Less payments</u>	= \$ (2,600.00)
Balance Due NASD Dispute Resolution	= \$ 0.00

4. Claimants Richard and Susan McLaughlin, Claimant Helen M. Yucka, Helen M. Yucka Declaration of Trust, Stock USA, Inc., Ralph Oliver Mann and Arthur Quintero are charged jointly and severally with the following fees and costs:

Adjournment Fee	= \$ 1,200.00
<u>Less payments by Stock USA, Inc.</u>	= \$ (1,200.00)
Balance Due NASD Dispute Resolution	= \$ 0.00

5. Respondent Stock USA, Inc. is charged with the following fees and costs:

Counter Claim Filing Fee	= \$ 500.00
<u>Member Fees</u>	<u>= \$ 6,100.00</u>
Total Fees	= \$ 6,600.00
<u>Less payments</u>	<u>= \$(8,000.00)</u>
Refund Due Stock USA, Inc.	= \$(1,400.00)

6. Respondents Stock USA, Inc., Ralph Oliver Mann and Arthur Quintero are charged jointly and severally with the following fees and costs:

Forum Fee	600.00
<u>Less payments by Stock USA, Inc.</u>	<u>= \$(600.00)</u>
Balance Due NASD Dispute Resolution	= \$ 0.00

All balances are payable to NASD Dispute Resolution and are due upon the receipt of the Award pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

Allan J. Mayer, Esq.	-	Public Arbitrator, Presiding Chair
William J. Adams, Esq.	-	Public Arbitrator
Kenneth I. Rosenblum	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

Allan J. Mayer, Esq.
Chair, Public Arbitrator

Signature Date

William J. Adams, Esq.
Public Arbitrator

Signature Date

Kenneth I. Rosenblum
Non-Public Arbitrator

Signature Date

Date of Service
(NASD USE ONLY)

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Allan J. Mayer, Esq.

Public Arbitrator, Presiding Chair

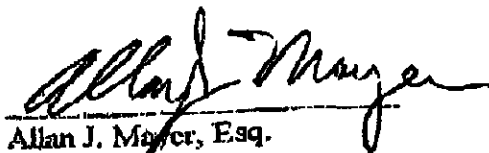
William J. Adams, Esq.

Public Arbitrator

Kenneth I. Rosenblum

Non-Public Arbitrator

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Allan J. Mayer, Esq.
Chair, Public Arbitrator

4/16/03
Signature Date

William J. Adams, Esq.
Public Arbitrator

Signature Date

Kenneth I. Rosenblum
Non-Public Arbitrator

Signature Date

4/17/03
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Non-Public Arbitrator

4/17/03

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