

**STIPULATED AWARD**  
**NASD Dispute Resolution, Inc.**

In the Matter of the Arbitration Between

Names of Claimants

Luz and Alicia Alvarez

Case No. 99-04110

Names of Respondents

JW Charles Securities, Inc. n/k/a  
JW Genesis Securities, Inc.  
Howard Shapiro

Hearing Site: Boca Raton, Florida

**REPRESENTATION OF PARTIES**

For Luz and Alicia Alvarez, hereinafter referred to as "Claimants": Lloyd B. Silverman, Esq., Davie, Florida.

For JW Charles Securities, Inc. n/k/a JW Genesis Securities, Inc. ("JW Genesis") and Howard Shapiro ("Shapiro"), hereinafter collectively referred to as "Respondents": Howard A. Tescher, Esq. of Kipnis Tescher Lippman & Valinsky, Fort Lauderdale, Florida.

**CASE INFORMATION**

Statement of Claim filed on or about: September 7, 1999.

Claimants signed the Uniform Submission Agreement on: August 14, 1999.

Joint Statement of Answer filed by Respondents on or about: November 19, 1999.

Respondent JW Genesis' Uniform Submission Agreement signed on: January 24, 2000, by Charles Scarlett, General Counsel, on behalf of the firm.

Respondent Shapiro signed the Uniform Submission Agreement on: November 15, 1999.

**CASE SUMMARY**

Claimants asserted the following causes of action: churning, unauthorized trading and suitability. The causes of action relate to the purchase and sale of shares of stock of Gateway, Compaq Computers, Western Digital Corp. and Quantum for Claimant's account at JW Genesis.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted various defenses.

**RELIEF REQUESTED**

Claimants requested \$80,000.00 in compensatory damages, plus attorney's fees and costs.

Respondents requested that all claims be dismissed in their entirety, that Respondents be awarded their attorney's fees and costs, and that all references to this matter be expunged from the NASD's Central Registration Depository ("CRD") record of Respondent Shapiro.

#### OTHER ISSUES CONSIDERED AND DECIDED

On or about November 9, 2001, NASD Dispute Resolution, Inc. ("NASDR") was informed that the parties had settled the above captioned matter.

On June 25, 2001, the parties filed with NASDR a Stipulation Dismissing Respondent Howard Shapiro With Prejudice wherein the parties stipulated to the dismissal, with prejudice, of all claims against Respondent Shapiro and requested that the arbitration panel issue an order expunging all references to the above-captioned matter from Respondent Shapiro's CRD record.

Further, the parties agreed that the designated Chairperson is authorized to execute the Stipulated Award in this matter.

#### AWARD

After considering the pleadings, and the parties' Stipulation Dismissing Respondent Howard Shapiro With Prejudice, the Chairperson has decided in full and final resolution of the issues submitted for determination as follows:

1. All claims against Respondent Shapiro are dismissed, with prejudice.
2. The Chairperson recommends the expungement of all references to the above-captioned arbitration from Respondent Shapiro's CRD record, with the understanding that pursuant to NASD Notices to Members 99-09 and 99-54, Respondent Shapiro must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

#### FEES

Pursuant to the NASD Code of Arbitration Procedure (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

= \$ 225.00

#### 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 event giving rise to the dispute. In this matter, the member firm is a party.

Member surcharge	= \$1,000.00
Pre-hearing process fee	= \$ 600.00
Hearing process fee	= \$1,500.00

#### Adjournment Fees

No adjournments were requested during these proceedings:

#### Forum Fees and Assessments

The Panel has the authority to assess forum fees for each hearing session conducted. A hearing session is any meeting between the parties and the arbitrators, including a pre-hearing conference with the arbitrators, that lasts four (4) hours or less. Fees associated with these proceedings are:

Two (2) Pre-hearing sessions with the Panel x \$750.00	= \$1,500.00
Pre-hearing conference dates: April 3, 2000	1 session
December 20, 2000	1 session
One (1) Pre-hearing session with an arbitrator x \$450.00	= \$ 450.00
Pre-hearing conference date: August 3, 2000	1 session
<hr/> Total Forum Fees	<hr/> = \$1,950.00

The Panel has assessed \$975.00 of the forum fees jointly and severally to Claimants.  
The Panel has assessed \$975.00 of the forum fees to Respondent JW Genesis.

#### Administrative Costs

Administrative costs are expenses incurred due to a request by a party for special services including, but not limited to, additional copies of arbitrator awards beyond those provided without charge, copies of audio transcripts, retrieval of documents from archives, interpreters, and security.

No administrative costs were incurred during these proceedings.

#### Fee Summary

Claimants be and hereby are jointly and severally liable for:

Initial Filing Fee	= \$ 225.00
Forum Fees	= \$ 975.00
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Total Fees	= \$1,200.00
Less payments	= \$1,050.00
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Balance Due NASD Dispute Resolution, Inc.	= \$ 150.00

Respondent JW Genesis be and hereby is solely liable for:

Member Fees	= \$3,100.00
Forum Fees	= \$ 975.00
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Total Fees	= \$4,075.00
Less payments	= \$4,075.00
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Balance Due NASD Dispute Resolution, Inc.	= \$ 0.00


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

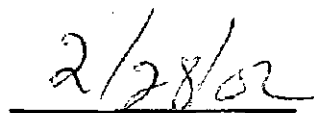
**ARBITRATION PANEL**

*John A. Kovarik, Esq.*

*Public Arbitrator, Presiding Chair*

**Arbitrator's Signature**

  
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John A. Kovarik, Esq.  
Public Arbitrator, Presiding Chair

  
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Signature Date

March 4, 2002

Date of Service (For NASD-Dispute Resolution office use only)