

Award
NASD Dispute Resolution, Inc.

In the Matter of the Arbitration Between:
Bruce Stewart and Steve Stewart, Claimants vs. Madison Capital Markets Corp.,
also known as Thermopylae Group, Inc., and Joseph J. Papeo, Respondents.

Case Number: 99-04387 Hearing Site: Columbus, Ohio

REPRESENTATION OF PARTIES

Claimants Bruce Stewart and Steve Stewart were represented by C. William Brownfield, Esquire, of Columbus, Ohio.

Respondents Madison Capital Markets Corp., also known as Thermopylae Group, Inc. ("Madison Capital") and Joseph J. Papeo ("Papeo") (collectively referred to as "Respondents") were not present at the hearing and were not represented by counsel at the hearing.

CASE INFORMATION

The (Joint) Statement of Claim was filed on or about September 27, 1999.

Both Claimants signed the Uniform Submission Agreement on September 1, 1999.

Respondents' Joint Statement of Answer, Counterclaim and Motion to Dismiss was filed on or about March 7, 2000.

A representative of Respondent Madison Capital signed the Uniform Submission Agreement on Madison Capital's behalf on March 3, 2000.

Respondent Papeo signed the Uniform Submission Agreement on March 3, 2000.

Claimants' Reply to Respondents' Counterclaim was filed on or about March 8, 2000.

Claimants filed a Motion to Amend the Statement of Claim, specifically naming Thermopylae Group, Inc. as a Respondent, on or about November 20, 2000. The Panel granted the Motion on December 13, 2000.

CASE SUMMARY

Claimants alleged the following in their (Joint) Statement of Claim and Amended Statement of Claim: fraud; unauthorized trading; unsuitability; breach of contract; negligence; gross negligence; negligent supervision; and respondeat superior. These allegations related to transactions in the following security: America On-Line (AOL).

Respondents denied all liability to Claimants in their Joint Statement of Answer. Respondents also alleged in their Counterclaim that the sale of Claimants' securities to cover margin call did not cover the margin debt owed on their account(s).

Claimants denied all liability to Respondents in their Reply to Respondents' Counterclaim, and asserted the following affirmative defenses: unclean hands and equitable estoppel.

RELIEF REQUESTED

Claimants requested:

Compensatory Damages	\$100,000.00
Punitive Damages	\$200,000.00
Attorney's Fees	unspecified
Other Costs	unspecified

Respondents requested that the (Joint) Statement of Claim be dismissed in its entirety. In their Counterclaim, Respondents requested:

Compensatory Damages	\$ 39,493.97
Attorney's Fees	unspecified
Other Costs	unspecified

OTHER ISSUES CONSIDERED AND DECIDED

Upon review of the file and representations made by/on behalf of the Claimants, the undersigned Panel determined that Respondents Madison Capital Markets Corp., also known as Thermopylae Group, Inc., and Joseph J. Papeo had been properly served with the Statement of Claim, had received due notice of the hearing, had filed Answers and Uniform Submission Agreements, and that arbitration of the matter would proceed without said Respondents present, in accordance with the NASD Code of Arbitration Procedure (the "Code").

At the hearing, the Panel denied Respondents' outstanding Motions to Dismiss.

AWARD

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

1. The Respondents' Motion to Dismiss is denied in its entirety, as are any Counterclaims;
2. As Compensatory Damages on their claims, the Claimants, jointly, are awarded the sum of \$75,078.00 (Seventy-five Thousand Seventy-eight Dollars and No Cents), which sum is inclusive of interest at 10% (Ten Percent) awarded from June 1, 1999, and which shall be assessed against Respondents Madison Capital Markets Corp., also known as Thermopylae Group, Inc., and Joseph J. Papeo, jointly and severally;
3. Claimants, jointly, are additionally awarded the sum of \$22,558.75 (Twenty-two Thousand Five Hundred Fifty-eight Dollars and Seventy-five Cents) as and for the attorney's fees and costs incurred in the prosecution of this matter, the Panel having determined that the conduct of Respondents as shown by the evidence was in bad faith and fraudulent. Claimants are entitled to an award of their fees and costs in accordance with applicable law, and the assessment of this amount of fees and costs is made jointly and severally as to each of the Respondents;
4. Claimants' claim for punitive or exemplary damages is denied; and
5. All forum fees are assessed against the Respondents, jointly and severally.

Any and all relief not specifically addressed herein is denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

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

Initial claim filing fee	= \$ 300
Counterclaim filing fee	= \$1,000

The Panel directs Respondents, jointly and severally, to reimburse the initial claim filing fee directly to Claimants.

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 Madison Capital Markets Corp., also known as Thermopylae Group, 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:

One (1) Pre-hearing conference with Panel x \$1,125 = \$ 1,125
 Pre-hearing conference: November 15, 2000 1 session

Two (2) Hearing sessions x \$1,125 = \$2,250
 Hearing Dates: January 24, 2001 2 sessions

Total Forum Fees = \$3,375

The Panel has assessed \$3,375 in Forum Fees to Respondents, Madison Capital Markets Corp., also known as Thermopylae Group, Inc. and Joseph J. Papeo, jointly and severally.

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

<u>Initial Filing Fee</u>	= \$ 300
<u>Total Fees</u>	= \$ 300
<u>Less payments</u>	= \$ 1,425
Balance Due NASD Dispute Resolution, Inc.	= \$ (1,125)

NASD Dispute Resolution, Inc. will refund this \$1,125 to Claimants.

Additionally, Respondents will reimburse Claimants for the \$300 initial filing fee.

2. Respondent, Madison Capital, be and hereby is solely liable for:

<u>Member Fees</u>	= \$ 4,600
<u>Total Fees</u>	= \$ 4,600
<u>Less payments</u>	= \$ 0
Balance Due NASD Dispute Resolution, Inc.	= \$ 4,600

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3. Respondents Madison Capital Markets Corp., also known as Thermopylae Group, Inc. and Joseph J. Papeo are jointly and severally liable for:

Counterclaim Filing Fee	= \$ 1,000
Forum Fees	= \$ 3,375
Total Fees	= \$ 4,375
Less payments	= \$ 0
Balance Due NASD Dispute Resolution, Inc.	= \$ 4,375

With the exception of the initial filing fee reimbursement, payable directly to Claimants, all balances are due to NASD Dispute Resolution, Inc.

Concurring Arbitrators' Signatures

Robert Rapp
Robert Rapp, Esquire
Public Arbitrator, Presiding Chair

February 8, 2001
Signature Date

Roger P. Moreschi
Roger P. Moreschi
Public Arbitrator

February 8, 2001
Signature Date

Howard James Harriman
Howard James Harriman
Non-Public Arbitrator

February 8, 2001
Signature Date

February 8, 2001

Date of Service (For NASD office use only)

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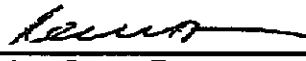
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NASD REGULATION

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3. Respondents Madison Capital Markets Corp., also known as Thermopylae Group, Inc. and Joseph J. Papao are jointly and severally liable for:

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Signature Date



2/8/01

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