

AWARD
NASD Dispute Resolution, Inc.

In the Matter of the Arbitration Between

Frederick K. Ploch and Rebecca Ploch

and

99-05244
Southfield, Michigan

Centex Securities Corp.
Peter J. Worrell

REPRESENTATION OF PARTIES

Frederick K. Ploch and Rebecca Ploch ("Claimants") were represented by Michael G. Oliva, Esq., Loomis, Ewert, Parsley Davis & Gotting, Lansing Michigan.

Centex Securities Corp. ("Centex") was represented by Craig Biddick, Centex Securities Corp., LaJolla, California, until in or around July, 2001. Centex was later represented by Bruce A. Biddick, Centex Securities Corp., LaJolla, California. Centex did not appear at the hearing.

Peter J. Worrell ("Worrell") was represented by Michael Utilla, Esq., Mure & Carone, P.C., Brooklyn, New York.

CASE INFORMATION

The Statement of Claim was filed on or about November 17, 1999. Submission Agreement of Claimants Frederick K. Ploch and Rebecca Ploch was signed on November 17, 1999.

The Statement of Answer was filed by Respondent Centex Securities Corp. on or about January 21, 2000. The Submission Agreement of Respondent Centex Securities Corp. was signed on January 21, 2000, by Craig Biddick.

The Statement of Answer and Motion to Dismiss was filed by Respondent Peter J. Worrell on or about January 17, 2000. Respondent Peter J. Worrell did not file a signed Uniform Submission Agreement.

Respondent Worrell's Reply in Support of his Motion to Dismiss was filed on or about February 9, 2000. Claimants' Response to Motion to Dismiss was filed on or about February 21, 2000.

CASE SUMMARY

Claimants asserted causes of action including the following: unsuitability, unauthorized trading, misrepresentation or failure to disclose material facts concerning an investment, churning, use of manipulative, deceptive, or other fraudulent device or contrivance to effect any transaction in, or induce the purchase or sale of any security. The causes of action relate to the purchase of share of stock in Scottsdale Cigar Company (SDCC) and Metro Global Media, Inc. (MGMA).

Unless specifically admitted in its Answer, Respondent Centex denied the allegations made in the Statement of Claim and asserted affirmative defenses including the following: The Statement of Claim and each cause of action stated therein fails to state sufficient facts to state a cause of action against Centex; that each cause of action of the Statement of Claim is barred, in whole or in part, by the applicable statutes of limitation; and to the extent that Claimants invoke the equitable posers of the court, the action is barred by the doctrines of Laches and Unclean Hands.

RELIEF REQUESTED

Claimant requested an award in the amount of \$17,908.50, plus reasonable costs and attorney fees, punitive and treble damages, unspecified fines and sanctions, and any such further and additional relief as may be appropriate.

Respondent Centex requested unspecified relief.

OTHER ISSUES CONSIDERED & DECIDED

Upon review of the file and the representations made by/on behalf of the Claimant, the undersigned arbitrators have determined that Respondent Centex Securities Corp. has been properly served with the Statement of Claim pursuant to Rule 10302 and Rule 10314 of the NASD Code of Arbitration Procedure (the "Code"). The undersigned arbitrators have also determined that Respondent Centex Securities Corp. had received due notice of the hearing as required under Rule 10315 of the Code and that arbitration of the matter would proceed pursuant to Rule 10318 of the Code.

Claimants settled their claims against Respondent Peter J. Worrell on or about October 27, 2000. The Panel did not adjudicate any claims against Respondent Worrell.

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. In either case, the parties have agreed to receive conformed copies of the award while the original(s) remain on file with the NASD Dispute Resolution, Inc. (the "NASD").

AWARD

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

- 1.) Respondent, Centex Securities Corp., is solely liable for and shall pay to Claimants Frederick K. Ploch and Rebecca Ploch, jointly and severally, the sum of \$24,383.50 in compensatory damages;

- 2.) Respondent Centex Securities Corp. is liable for and shall pay to Claimants Frederick K. Ploch and Rebecca Ploch, jointly and severally, the sum of \$225.00 as reimbursement for NASD filing fees.
- 3.) That other than Forum Fees which are specified below, the parties shall each bear their own costs and expenses incurred in this matter;
- 4.) 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

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(s) at the time of the event(s) giving rise to the dispute. In this matter, the member firm is Centex Securities Corp.

Member surcharge = \$ 1,000.00

Pre-hearing process fee = \$ 600.00

Hearing process fee = \$ 1,500.00

Adjournment Fees

Adjournments requested during these proceedings:

October 17-19, 2000, adjournment by Centex Securities Corp. = \$ 750.00

January 8-10, 2000, adjournment by Centex Securities Corp. = \$ 1,000.00

Forum Fees and Assessments

The Arbitration 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:

Five (5) Pre-hearing session with Panel x \$750.00 = \$3,750.00

Pre-hearing conferences:	June 1, 2000	1 session
	September 29, 2000	1 session
	October 3, 2000	1 session
	February 27, 2001	1 session
	August 23, 2001	1 session

One (1) Hearing session x \$750.00 = \$750.00
Hearing Date: August 27, 2001 1 session
Total Forum Fees = \$4,500.00

The Arbitration Panel has assessed \$4,500.00 of the forum fees to Centex Securities Corp.

Fee Summary

Claimants, Frederick K. Ploch and Rebecca Ploch, are jointly and severally liable for:

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

Respondent, Centex Securities Corp., is solely liable for:

Adjournment Fees	= \$1,750.00
Member Fees	= \$3,100.00
Forum Fees	= \$4,500.00

Balance Due NASD Dispute Resolution, Inc. = \$9,350.00

All balances are due to NASD Dispute Resolution, Inc.

ARBITRATION PANEL

Stewart C.W. Weiner, Esq. - Public, Presiding Chair

William P. Thorpe, Esq. - Public Arbitrator

James N. Ajlouny - Non-Public Arbitrator

Concurring Arbitrators:

/s/ Stewart C.W. Weiner, Esq.
Stewart C.W. Weiner, Esq.
Public Arbitrator, Presiding Chair

09/28/01
Signature Date

/s/ William P. Thorpe, Esq.
William P. Thorpe, Esq.
Public Arbitrator

09/25/01
Signature Date

/s/ James N. Ajlouny
James N. Ajlouny
Non-Public Arbitrator

09/25/01
Signature Date

10/01/01

Date of Service (For NASD office use only)

09/24/01 MON 18:09 FAX

NASD REGULATION

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NASD Dispute Resolution, Inc.
 Arbitration No. 99-05244
 Award Page 4 of 4

One (1) Hearing session x \$750.00 = \$750.00
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ARBITRATION PANEL

Stewart C.W. Weiner, Esq. - Public, Presiding Chair
 William P. Thorpe, Esq. - Public Arbitrator
 James N. Ajlouny - Non-Public Arbitrator

Concurring Arbitrators:

Stewart C.W. Weiner, Esq.
 Public Arbitrator, Presiding Chair

William P. Thorpe, Esq.
 Public Arbitrator

James N. Ajlouny
 Non-Public Arbitrator

Signature Date

9/25/01
 Signature Date

Signature Date

Date of Service (For NASD office use only)

NASD Dispute Resolution, Inc.
 Arbitration No. 99-05244
 Award Page 4 of 4

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ARBITRATION PANEL

Stewart C.W. Weiner, Esq. - Public, Presiding Chair
 William P. Thorpe, Esq. - Public Arbitrator
 James N. Ajlouny - Non-Public Arbitrator

Consenting Arbitrators:

Stewart C.W. Weiner, Esq.
 Public Arbitrator, Presiding Chair

9/28/01
 Signature Date

William P. Thorpe, Esq.
 Public Arbitrator

Signature Date

James N. Ajlouny
 Non-Public Arbitrator

Signature Date

Date of Service (For NASD office use only)

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NASD Dispute Resolution, Inc.
Arbitration No. 98-08344
Award Page 4 of 4

One (1) Hearing session x \$750.00 = \$750.00
Hearing Date: August 27, 2001 1 session
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ARBITRATION PANEL

Stewart C.W. Welner, Esq. - Public, Presiding Chair
William P. Thorpe, Esq. - Public Arbitrator
James N. Ajlouny - Non-Public Arbitrator

Concurring Arbitrators:

Stewart C.W. Welner, Esq.
Public Arbitrator, Presiding Chair

Signature Date

William P. Thorpe, Esq.
Public Arbitrator

Signature Date

James N. Ajlouny
Non-Public Arbitrator

9.25.01
Signature Date

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