

Award
NASD Dispute Resolution, Inc.

In the Matter of the Arbitration Between

Name of Claimant

Albert McIlvaine

Case No. 99-04336

Names of Respondents

Walsh Manning Securities, LLC
Frank J. Skelly, III
Paul G. Wasserman
Wesley A. Rusch
James Thomas Shanley
Salvatore Buccellato
George Carlo, Jr.
Eric J. Weiss

Hearing Site: Atlanta, Georgia

REPRESENTATION OF PARTIES

For Albert McIlvaine ("McIlvaine"), hereinafter referred to as "Claimant": Howard M. Rosenfield, Attorney at Law, Farmington, Connecticut.

For Respondent Salvatore Buccellato ("Buccellato"): Lawrence J. Toscano, Esq. of Heller, Horowitz & Feit, P.C., New York, New York until his withdrawal as counsel on or about August 17, 2001. Thereafter, Respondent Buccellato did not appear.

For Respondent Paul Wasserman ("Wasserman"): Marvin G. Pickholz LLP, New York, New York until his withdrawal as counsel on or about December 8, 2000. Thereafter, Respondent Wasserman appeared pro se.

Respondents Wesley A. Rusch ("Rusch"), George Carlo, Jr. ("Carlo") and Eric J. Weiss ("Weiss") appeared pro se.

For Respondents Walsh Manning Securities, LLC ("Walsh"), Frank J. Skelly, III ("Skelly") and James Thomas Shanley ("Shanley"): Andrew F. Greitz, Jr., AFG Consultants, Oceanside, New York.

CASE INFORMATION

Statement of Claim filed on or about: September 20, 1999.

Letter from Howard M. Rosenfield, Esq. dated May 1, 2000 to NASD Dispute Resolution, Inc. filed.
Amended Statement of Claim filed on or about: July 28, 2000.
Claimant signed the Uniform Submission Agreement: July 7, 1999.
Answer and Motion to Dismiss of Paul Wasserman filed on or about: July 13, 2000.
Amended Answer of Paul Wasserman filed on or about: August 7, 2000.
Statement of Answer and Motion to Dismiss of George Carlo filed on or about: September 15, 2000.
Answer of Respondent Salvatore Buccellato filed on or about: December 8, 1999.
Respondent Buccellato signed the Uniform Submission Agreement.
Answer of Respondent Wesley A. Rusch filed on or about: December 4, 1999.
Respondents Weiss, Walsh, Skelly and Shanley did not file Statements of Answer.
Respondents Rusch, Walsh, Skelly, Shanley, Carlo, Weiss and Wasserman did not file executed Uniform Submission Agreements.

CASE SUMMARY

Claimant asserted the following causes of action: breach of fiduciary duty; breach of contract; directing and effecting improper trades in Claimant's account; misrepresenting and/or failing to disclose material facts concerning his margin account to Claimant; and, failing to supervise, or intentionally improperly supervising, Claimant's accounts and failing to supervise, or intentionally improperly supervising Claimant's account executives. The unlawful activity set forth above constitute violations of the federal securities laws and applicable state law and breaches of the rules of the New York Stock Exchange and the National Association of Securities Dealers, Inc. Claimant alleged the causes of action relate to the solicitation of Respondents to Claimant to purchase speculative stocks. Further, Claimant alleged the undue concentration of Claimant's portfolio in speculative stocks which were allegedly manipulated resulted in substantial losses in Claimant's accounts.

Unless specifically admitted in their Answers and/or Amended Answers, Respondents Wasserman, Carlo, Buccellato and Rusch denied the allegations made in the Statement of Claim.

RELIEF REQUESTED

Claimant requested out-of-pocket damages of \$214,610.00; damages pursuant to the Miley vs. Oppenheimer Well-Managed Account formula of \$410,363.00; a "make whole award" of attorneys' fees (one-third gross award); pre-and post-award interest; punitive damages in such amount as the arbitrators deemed appropriate; and, payment of all of Claimant's costs, expenses and disbursements, including reasonable attorneys' fees in pursuing this claim.

Respondent Wasserman requested a dismissal of the Statement of Claim as to him, plus an award of his attorneys' fees, costs and the assessment of monetary sanctions against Claimant.

Respondent Carlo requested a dismissal of the Statement of Claim with prejudice.

Respondent Buccellato requested that the Panel issue an Award denying Claimant's claim and dismissing the arbitration as against Respondent Buccellato with prejudice, assessing all costs against parties other than Respondent Buccellato, and granting to Respondent Buccellato such other and further relief as the Panel deemed just and proper.

Respondent Rusch requested a dismissal of the claim with prejudice as against Respondent Rusch and that Respondent Rusch be awarded the costs of defending the arbitration, including reasonable costs and expenses, and indemnification and sanctions against Claimant and its attorneys. Further, Respondent Rusch requested that the Panel only charge Claimant and the other Respondents with the costs of the action.

OTHER ISSUES CONSIDERED AND DECIDED

Respondents Rusch, Walsh, Skelly, Shanley, Carlo, Weiss and Wasserman did not file with NASD Dispute Resolution, Inc. properly executed submissions to arbitration but are required to submit to arbitration pursuant to the NASD Code of Arbitration Procedure (the "Code") and are bound by the determination of the Panel on all issues submitted.

Respondent Buccellato did not attend the evidentiary hearing in this matter. Upon review of the file and the representations made by/on behalf of the Claimant, the undersigned arbitrators (the "Panel") determined that Respondent Buccellato 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 Code.

At the evidentiary hearing, Claimant informed the arbitration panel that he had entered into settlement agreements with Respondents Carlo, Weiss and Wasserman and that he had dismissed, with prejudice, all claims against Respondent Rusch.

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

AWARD

After considering the pleadings, the testimony and evidence presented at the hearing, and the post-hearing submissions (if any), the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. Respondents Walsh, Shanley, Skelly and Buccellato be and hereby are liable,

jointly and severally, and shall pay to Claimant the sum of \$214,610.00 in compensatory damages plus pre-hearing interest in the sum of \$27,223.00. Additional simple interest at the rate of 12% per annum shall accrue on the sum of \$214,610.00 from August 22, 2001 until the date of payment of the Award.

2. Any settlements with Respondents other than those listed in Paragraph One above shall not be offset against this Award and shall be in addition to the Award issued herein.

3. Respondents Walsh, Shanley, Skelly and Buccellato be and hereby are liable, jointly and severally, and shall pay to Claimant the sum of \$40,000.00 in attorneys' fees. Attorneys' fees are awarded pursuant to Georgia Code Section 10-5-14.

4. Any and all requests for relief not specifically addressed herein, including Claimant's request for punitive damages, are 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 = \$375.00

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 broker/dealer Walsh was no longer a member firm of the NASD at the time of service of the Statement of Claim.

Adjournment Fees

Adjournments requested during these proceedings:

August 21, 22 and 23, 2000 Hearing Dates, adjournment by Claimant = \$1,200.00 adjournment fee.

February 21, 22 and 23, 2001 Hearing Dates, adjournment by Claimant = \$1,000.00 adjournment fee waived by the arbitration panel.

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 arbitrator(s), including a pre-hearing conference with the arbitrator(s), that lasts four (4) hours or less. Fees

associated with these proceedings are:

Two Pre-hearing sessions with Panel x \$1,200.00	= \$2,400.00
Pre-hearing conferences: April 11, 2000	1 session
August 14, 2001	1 session
Four Hearing sessions x \$1,200.00	= \$4,800.00
Hearing Dates: August 20, 2001	2 sessions
August 21, 2001	2 sessions
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Total Forum Fees	= \$7,200.00

The panel has assessed the total forum fees of \$7,200.00 to Respondents Walsh Shanley, Skelly and Buccellato, jointly and severally.

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.

Respondent Wasserman requested copies from the file at a cost of \$28.50.

Fee Summary

Claimant be and hereby is solely liable for:

Initial Filing Fee	= \$375.00
Adjournment Fee	= \$1,200.00

Total Fees	= \$1,575.00
Less payments	= \$1,575.00

Balance Due NASD Dispute Resolution, Inc.	= \$0.00
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Respondents Walsh, Shanley, Skelly and Buccellato be and hereby are jointly and severally liable for:

Forum Fees	= \$7,200.00
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Total Fees	= \$7,200.00
Less payments	= \$0.00

Balance Due NASD Dispute Resolution, Inc.	= \$7,200.00
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Respondent Wasserman be and hereby is solely liable for:

Administrative Costs	= \$28.50
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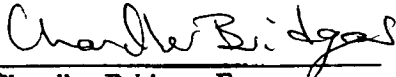
Total Fees	= \$28.50
Less payments	= \$28.50
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Balance Due NASD Dispute Resolution, Inc.	= \$0.00

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

<i>Chandler Bridges, Esq.</i>	-	<i>Public Arbitrator, Presiding Chair</i>
<i>F. Robert Slotkin, Esq.</i>	-	<i>Public Arbitrator</i>
<i>Christopher S. Bach</i>	-	<i>Non-Public Arbitrator</i>

Concurring Arbitrators' Signatures



Chandler Bridges, Esq.
Public Arbitrator, Presiding Chair

9-20-01
Signature Date

F. Robert Slotkin, Esq.
Public Arbitrator

Signature Date

Christopher S. Bach
Non-Public Arbitrator

Signature Date

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

Total Fees	= \$28.50
Less payments	= \$28.50
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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 1033C(g) of the Code.

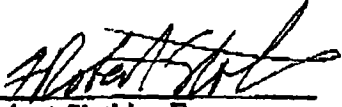
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<i>F. Robert Slotkin, Esq.</i>	-	<i>Public Arbitrator</i>
<i>Christopher S. Bach</i>	-	<i>Non-Public Arbitrator</i>

Concurring Arbitrators' Signatures

Chandler Bridges, Esq.
Public Arbitrator, Presiding Chair

Signature Date



F. Robert Slotkin, Esq.
Public Arbitrator

9-25-01

Signature Date

Christopher S. Bach
Non-Public Arbitrator

Signature Date

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

Total Fees	= \$28.50
Less payments	= \$28.50
Balance Due NASD Dispute Resolution, Inc.	= \$0.00

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ARBITRATION PANEL

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<i>Christopher S. Bach</i>	-	<i>Non-Public Arbitrator</i>


Concurring Arbitrators' Signatures

Chandler Bridges, Esq.
Public Arbitrator, Presiding Chair

Signature Date

F. Robert Slotkin, Esq.
Public Arbitrator

Signature Date



Christopher S. Bach
Non-Public Arbitrator

9/20/01
Signature Date

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