

Award
NASD Dispute Resolution, Inc.

In the Matter of the Arbitration Between:

Fidelity Brokerage Services, Inc. Claimant vs. Jeffrey Lane Michaels and Leslie Jean Michaels,
Respondents.

Case Number: 00-00356

Hearing Site: Via Teleconference

REPRESENTATION OF PARTIES

Claimant, Fidelity Brokerage Services, Inc. (hereinafter referred to as "Claimant": Laurence K. Richmond, Esq., Laurence K. Richmond & Associates, P.C., Greenleaf Building, 1419 Hanock Street, Quincy, MA 02169-5203.

Respondents, Jeffrey Lane Michaels and Leslie Jean Michaels, (hereinafter collectively referred to as "Respondents"): *In Pro Per*, 3116 164th Street, S.W., Apartment 310, Lynnwood, WA 98037.

CASE INFORMATION

Statement of Claim filed on or about: January 28, 2000

Claimant signed the Uniform Submission Agreement: December 14, 1999

Respondents did not file a Statement of Answer or submit a signed Uniform Submission Agreement.

CASE SUMMARY

Claimant asserted the following causes of action: Respondents failed to satisfy a debit balance in their brokerage account. The claim stems from a debit balance caused by the return of a check deposited by the Respondents, and by trading losses associated with the purchase and worthless expiration of Yahoo, Inc. call options and the purchase and liquidation of Dell Computer Corp. call options.

The Respondents did not file a Statement of Answer.

RELIEF REQUESTED

Claimants requested:

| | |
|----------------------|--------------|
| Compensatory Damages | \$30,166.14 |
| Interest | Unspecified. |
| Attorneys' Fees | Unspecified. |
| Other Costs | Unspecified. |

OTHER ISSUES CONSIDERED AND DECIDED

Upon review of the file and the representations made by/on behalf of the Claimant, the undersigned Arbitrator has determined that all efforts were made to serve Respondents with the Statement of Claim, that Respondents received necessary and reasonable due notice of the hearing, and that arbitration of the matter would proceed without said Respondents present, in accordance with the NASD Code of Arbitration Procedure (the "Code").

Respondents did not file with the NASD Dispute Resolution, Inc. a properly executed submission to arbitration but are required to submit to arbitration pursuant to the Code and are bound by the determination of the Arbitrator on all issues submitted.

Prior to the hearing, Claimant filed a Motion to Bar Respondents' pleading in the event Respondents appeared and attempted to file such a pleading at the hearing. The Motion was denied.

AWARD

After considering the pleadings, the testimony and evidence presented at the hearing, the Arbitrator has decided in full and final resolution of the issues submitted for determination as follows:

1. Respondents shall jointly and severally pay to the Claimant \$30,161.65.
2. Respondents shall jointly and severally pay \$5,000 to the Claimant for attorneys' fees in accordance with Section 12 of the Fidelity Customer Agreement signed by the Respondents.
3. All other claims are denied in their entirety.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

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

| | |
|--------------------------|----------|
| Initial claim filing fee | = \$1000 |
|--------------------------|----------|

Member Fees

Member fees are assessed to each member firm that is a party in these proceedings. In this matter, the member firm is a party.

| | |
|-------------------------|----------|
| Member surcharge | = \$ 800 |
| Pre-hearing process fee | = \$ 600 |

| | |
|----------------------------|----------|
| <u>Hearing process fee</u> | = \$1000 |
| Total Member Fees | = \$2400 |

Forum Fees and Assessments

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

| | |
|--|-------------------|
| One (1) Pre-hearing session with a single arbitrator x \$450 | = \$450 |
| Pre-hearing conferences: September 19, 2000 | 1 session |
| One (1) Hearing sessions x \$450 | = \$450 |
| <u>Hearing Dates:</u> January 23, 2001 | <u>1 sessions</u> |
| Total Forum Fees | = \$900 |

The Arbitrator has assessed \$450 of the forum fees to Claimant.

The Arbitrator has assessed \$450 of the forum fees jointly and severally against the Respondents.

Fee Summary

Claimant is hereby solely liable for:

| | |
|---|-----------------|
| Initial Filing Fee | = \$1000 |
| Member Fees | = \$2400 |
| <u>Forum Fees</u> | <u>= \$ 450</u> |
| Total Fees | = \$3850 |
| <u>Less payments</u> | <u>= \$3850</u> |
| Balance Due NASD Dispute Resolution, Inc. | = \$ 0 |

Respondents are hereby jointly and severally liable for

| | |
|---|----------|
| Forum Fees | = \$ 450 |
| Balance Due NASD Dispute Resolution, Inc. | = \$ 450 |

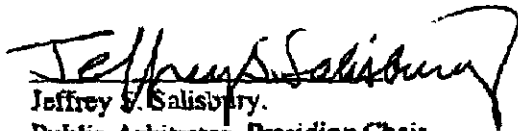
All balances are due to NASD Dispute Resolution, Inc. Inc. and are payable within 30 days of the service date of this Award.

NASD Dispute Resolution, Inc.

Arbitration No. 00-00356

Award Page 4 of 4

Concurring Arbitrator's Signature



Jeffrey V. Salisbury

Public Arbitrator, Presiding Chair

Date Served:

FEB 07 2001

Date of Service (For NASD office use only)

2/7/01

Signature Date