

Award
NASD Dispute Resolution, Inc.

In the Matter of the Arbitration Between:

Craig D. Watson v. Ameritrade, Inc.

Case No. 00-03410

Hearing Site: *Boca Raton, Florida*

REPRESENTATION OF PARTIES

For Claimant:

Tim B. Wright, Esq.
Warner, Fox, Wackeen, Dungey, Seeley
Sweet, Wright & Beard, L.L.P.
Stuart, Florida

For Respondent:

James J. Vihstadt, Esq.
Ameritrade, Inc.
Bellevue, Nebraska

CASE INFORMATION

Statement of Claim filed on or about: August 4, 2000.

Claimant's Uniform Submission Agreement signed on: August 4, 2000.

Statement of Answer filed by Respondent on or about: October 9, 2000.

Respondent's Uniform Submission Agreement signed on: October 9, 2000, by James J. Vihstadt, Regulatory Counsel, on behalf of the firm.

CASE SUMMARY

Claimant asserted the following causes of action: Violation of Chapter 517.301, Florida Statute and misrepresentation in connection with the purchase of 10,000 shares of Ariel Corporation stock in Claimant's account at Ameritrade.

Unless specifically admitted in its Statement of Answer, Respondent Ameritrade, Inc. denied the allegations of wrongdoing contained in the Statement of Claim.

RELIEF REQUESTED

Claimant requested compensatory damages, interest, attorneys' fees pursuant to Section 517.211, Florida Statutes, costs and all further relief deemed appropriate by the Panel.

Respondent requested that the Statement of Claim be dismissed and that costs be assessed to Claimant.

OTHER ISSUES CONSIDERED AND DECIDED

The parties 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. Respondent Ameritrade is found liable on the claim of negligent misrepresentation for its failure to fully disclose material information to Claimant, and shall pay to Claimant compensatory damages in the sum of \$27,023.00 plus pre-judgment interest in the amount of \$4,455.00.
2. Claimant's request for attorneys' fees shall be determined by a court of competent jurisdiction, pursuant to Chapter 517, Florida Statutes.
3. Any and all requests for relief not specifically addressed herein, 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	= \$250.00
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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 events giving rise to the dispute. In this matter, the member firm is a party.

Member surcharge	= \$1,200.00
Pre-hearing process fee	= \$ 600.00
Hearing process fee	= \$2,000.00

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:

One (1) Pre-hearing session with the Panel x \$1,000.00 = \$1,000.00
Pre-hearing conference date: February 15, 2001 1 session

Two (2) Hearing sessions x \$1,000.00 = \$2,000.00
Hearing date: May 29, 2001 2 sessions

Total Forum Fees = \$3,000.00

The panel has assessed \$1,500.00 of the forum fees to Claimant.

The panel has assessed \$1,500.00 of the forum fees to Respondent.

Fee Summary

Claimant be and hereby is solely liable for:

Initial Filing Fee = \$ 250.00

Forum Fees = \$1,500.00

Total Fees = \$1,750.00

Less payments = \$1,425.00

Balance Due NASD Dispute Resolution, Inc. = \$ 325.00

Respondent Ameritrade be and hereby is solely liable for:

Member Fees = \$3,800.00

Forum Fees = \$1,500.00

Total Fees = \$5,300.00

Less payments = \$3,800.00

Balance Due NASD Dispute Resolution, Inc. = \$1,500.00

All balances are payable to NASD Dispute Resolution, Inc. and are due immediately upon receipt of the Award by the parties.

ARBITRATION PANEL

Roy B. Gonas, Esq.	-	Public/Presiding Chair
Bernard (Bob) L. Loring	-	Non-Public/Panelist
Robert J. Saex	-	Public/Panelist

Concurring Arbitrators' Signatures

_____/s/_____
Roy B. Gonas, Esq.
Public Arbitrator, Presiding Chair

Signature Date

_____/s/_____
Bernard (Bob) L. Loring
Public Arbitrator, Panelist

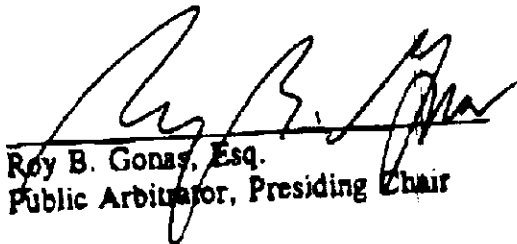
Signature Date

_____/s/_____
Robert J. Saex
Non-Public Arbitrator, Panelist

Signature Date

June 15, 2001
Date of Service (For NASD-Dispute Resolution office use only)

Concurring Arbitrators' Signatures


Roy B. Gonas, Esq.
Public Arbitrator, Presiding Chair

13 June 01
Signature Date

Bernard (Bob) L. Loring
Public Arbitrator, Panelist

Signature Date

Robert J. Saex
Non-Public Arbitrator, Panelist

Signature Date

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Roy B. Gonas, Esq.
Public Arbitrator, Presiding Chair

Signature Date

Bernard (Bob) L. Loring
Public Arbitrator, Panelist

Signature Date



Robert J. Saex
Non-Public Arbitrator, Panelist



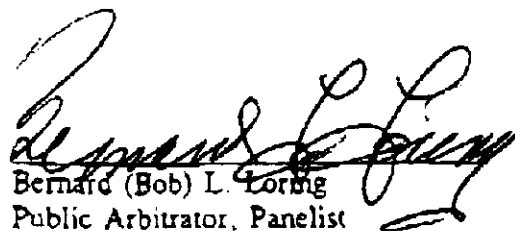
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Concurring Arbitrators' Signatures

Roy B. Gonas, Esq.
Public Arbitrator, Presiding Chair

Signature Date



Bernard (Bob) L. Loring
Public Arbitrator, Panelist

06/14/2001
Signature Date

Robert J. Saex
Non-Public Arbitrator, Panelist

Signature Date

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