

Stipulated Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Steven E. Brown, Claimant v. Cal Fed Investments, California Federal Savings and Cynthia Robinson, Respondents

Case Number: 00-04645

Hearing Site: Los Angeles, California

REPRESENTATION OF PARTIES

For Claimant Steven E. Brown:

William E. Winfield, Esq.
Nordman, Cormany, Hair & Compton
Oxnard, California

For Respondents Cal Fed Investments,
California Federal Savings and
Cynthia Robinson:

Douglas J. Rovens, Esq.
Roby M. McKibbin, Esq.
Rovens, Lamb & Gase LLP
Los Angeles, California

CASE INFORMATION

Statement of Claim filed: November 17, 2000

Claimant's Uniform Submission Agreement signed: November 17, 2000

Joint Statement of Answer filed by Respondents Cal Fed Investments and Cynthia Robinson:
January 7, 2001

Counterclaim filed by Respondents Cal Fed Investments: January 7, 2001

Respondent Cal Fed Investments' Uniform Submission Agreement signed: January 4, 2001

Respondent Cynthia Robinson's Uniform Submission Agreement signed: January 3, 2001

Respondent California Federal Savings' Statement of Answer: None filed

Respondent California Federal Savings' Uniform Submission Agreement: None signed

CASE SUMMARY

Claimant alleged churning, failure to disclose, unsuitability and breach of fiduciary duty.

Respondents Cal Fed Investments and Cynthia Robinson denied the allegations of wrongdoing set forth in the Claimant's Statement of Claim.

Respondent Cal Fed Investments filed a Counterclaim that alleged Claimant was contractually obligated to indemnify Respondent for fees and costs associated with defending against the Claimant's Statement of Claim.

RELIEF REQUESTED

Claimant's Statement of Claim requested compensatory damages of \$12,946.55 plus interest, unspecified damages for emotional distress, and reimbursement of costs, including attorney's fees. Claimant's Claim Information Sheet requested compensatory damages of \$25,000.00, punitive damages of \$75,000.00, and reimbursement of costs, including attorney's fees.

Respondents requested dismissal of the Claimant's Statement of Claim in its entirety and reimbursement of costs, including attorney's fees.

Counter-Claimant Cal Fed Investment requested indemnification for costs that it accrued in defending this arbitration, including attorney's fees.

OTHER ISSUES CONSIDERED AND DECIDED

Respondent California Federal Savings was not required to submit to arbitration pursuant to the Code of Arbitration Procedure, was served on a voluntary basis, and did not participate in the arbitration.

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 and the Parties' Stipulated Award the Panel decided in full and final resolution of the issues submitted for determination as follows:

- 1) The Parties have entered into a confidential settlement agreement.
- 2) The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Cal Fed Investments' and Cynthia Robinson's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 99-09, Respondents Cal Fed Investments and Cynthia Robinson, must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.
- 3) The parties shall bear their respective costs, including attorney's fees.
- 4) All other relief not expressly granted is denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution received or will collect the non-refundable filing fees for each claim as follows:

Initial claim filing fee	= \$ 225.00
Respondent Cal Fed Investments' Counterclaim filing fee	= \$ 500.00

Member Fees

Member fees are assessed to each member firm that is either a party in the matter or an employer of a respondent associated person at the time of the events that gave rise to the dispute, claim, or controversy. Accordingly, the member firm Cal Fed Investments is a party and the following fees are assessed:

Member Surcharge	= \$ 1,000.00
Pre-Hearing Process Fee	= \$ 600.00
<u>Hearing Process Fee</u>	= \$ 2,000.00
Total Member Fees	= \$ 3,600.00

Forum Fees and Assessments

The Panel assessed a forum fee for each pre-hearing conference or hearing session conducted. A pre-hearing conference and hearing session is any meeting between the parties and the Chair/Panel. The following fees are assessed:

One (1) Pre-hearing conference session with a single arbitrator @ \$ 450.00/session	= \$ 450.00
Pre-hearing conference: August 8, 2001 1 session	

One (1) Pre-hearing conference session with the Panel @ \$1,000.00/session	= \$ 1,000.00
Pre-hearing conference: May 17, 2001 1 session	

Total Forum Fees	= \$ 1,450.00
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1. The Panel assessed \$725.00 of the forum fees to Claimant Steven E. Brown.
2. The Panel assessed \$725.00 of the forum fees jointly and severally to Respondents Cal Fed Investments and Cynthia Robinson.

Fee Summary

1. Claimant, Steven E. Brown, is charged with the following fees and costs:

Initial Filing Fee	= \$ 225.00
<u>Forum Fees</u>	= \$ 725.00
Total Fees	= \$ 950.00
Retained Deposit pursuant to the Code of Arbitration Procedure Rule 10332(f)	= \$ 25.00
<u>Less payments</u>	= \$ (975.00)
Refund Due from NASD Dispute Resolution	= \$ 0.00

2. Respondent, Cal Fed Investments, is charged with the following fees and costs:

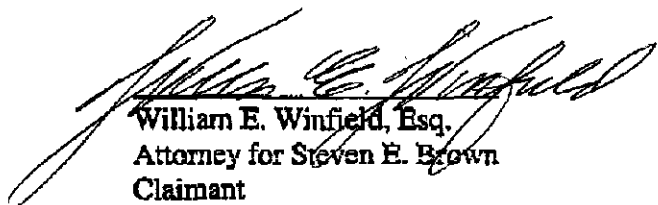
Counterclaim Filing Fee	= \$ 500.00
<u>Member Fees</u>	= \$ 3,600.00
Total Fees	= \$ 4,100.00
<u>Less payments</u>	= \$(6,975.00)
Refund Due from NASD Dispute Resolution	= \$(2,875.00)

3. Respondents Cal Fed Investments and Cynthia Robinson, are charged jointly and severally with the following fees and costs:

Forum Fees	= \$ 725.00
<u>Less payments received from Cal Fed Investments</u>	= \$(725.00)
Balance due NASD Dispute Resolution	= \$ 0.00

All balances are payable to NASD Dispute Resolution and are due upon the receipt of the Award pursuant to Rule 10330(g) of the Code.

Parties' Signatures


William E. Winfield, Esq.
Attorney for Steven E. Brown
Claimant

7/9/02
Signature Date

Douglas J. Rovens, Esq.
Attorney for Cal Fed Investments
and Cynthia Robinson
Respondents

Signature Date

Parties' Signatures

William E. Winfield, Esq.
Attorney for Steven E. Brown
Claimant

Signature Date



Douglas J. Rovens, Esq.
Attorney for Cal Fed Investments
and Cynthia Robinson
Respondents




Signature Date

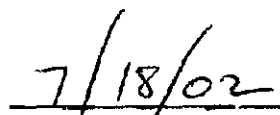
ARBITRATION PANEL

Jeffrey Kichaven	-	Public Arbitrator, Presiding Chair
Laura Drenning	-	Public Arbitrator
Robert Bothner	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures



Jeffrey Kichaven
Chair, Public Arbitrator



Signature Date

Laura Denning
Public Arbitrator

Signature Date

Robert Bothner
Non-Public Arbitrator

Signature Date



Date of Service

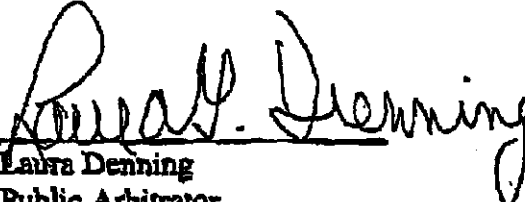
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Laura Denning	-	Public Arbitrator
Robert Bothner	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

Jeffrey Kichaven
Chair, Public Arbitrator

Signature Date


Laura Denning
Public Arbitrator

7-19-02
Signature Date

Robert Bothner
Non-Public Arbitrator

Signature Date

7-25-02
Date of Service

ARBITRATION PANEL

<i>Jeffrey Kichaven</i>	-	<i>Public Arbitrator, Presiding Chair</i>
<i>Laura Drenning</i>	-	<i>Public Arbitrator</i>
<i>Robert Bothner</i>	-	<i>Non-Public Arbitrator</i>

Concurring Arbitrators' Signatures

Jeffrey Kichaven
Chair, Public Arbitrator

Signature Date

Laura Denning
Public Arbitrator

Signature Date


Robert Bothner
Non-Public Arbitrator

7-22-02
Signature Date

7-25-02
Date of Service