

Award
NASD Dispute Resolution, Inc.

In the Matter of the Arbitration Between

Names of Claimants

Robert S. Alford and
Catherine P. Alford, TIC

Case No. 01-01600

Names of Respondents

Andre Robert
Johnson Rice & Company, L.L.C.

Hearing Site: New Orleans, LA

REPRESENTATION OF PARTIES

For Robert S. Alford and Catherine P. Alford, TIC, hereinafter collectively referred to as "Claimants": Henry W. Kinney, Esq. of Kinney & Ellinghausen, New Orleans, LA.

For Andre Robert ("Robert") and Johnson Rice & Company, L.L.C. ("JRC") hereinafter collectively referred to as "Respondents": Duris L. Holmes, Esq. of Deutsch, Kerrigan & Stiles, L.L.P., New Orleans, LA.

CASE INFORMATION

Statement of Claim filed on or about: March 30, 2001.

Claimants signed the Uniform Submission Agreement: March 15, 2001.

Response of Andre Robert and Johnson Rice & Company, L.L.C. to Statement of Claim filed on or about: June 1, 2001.

Respondent Robert signed the Uniform Submission Agreement: May 29, 2001.

Respondent JRC signed the Uniform Submission Agreement: June 26, 2001.

CASE SUMMARY

Claimants asserted the following causes of action: breach of fiduciary duty; breach of contract; excessive trading; churning; omission of material facts; manipulation; unsuitability; failure to supervise; failure to inform; failure to monitor accounts; and, failure to investigate investor sophistication. The causes of action relate to the purchase and sale of unspecified securities products.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted various affirmative defenses including: Respondents did not misrepresent or omit any material facts; there was no failure to supervise; and, Respondents acted in good faith at all times.

RELIEF REQUESTED

Claimants requested compensatory damages of \$316,470.00, attorneys' fees, costs, and all other relief these proceedings require.

Respondents requested dismissal of the Statement of Claim.

OTHER ISSUES CONSIDERED AND DECIDED

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.

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:

Respondents Robert and JRC are liable, jointly and severally, and shall pay to Claimants compensatory damages in the amount of \$81,150.00 plus interest at the Louisiana judicial interest rate accruing from April 5, 2001 until the date of payment of the Award. The compensatory damages are awarded based upon Respondents' negligence.

Any and all relief requests not specifically addressed herein are denied.

FEES

Pursuant to the NASD Code of Arbitration Procedure (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 | = \$300.00 |
|--------------------------|------------|

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 member firm is a party.

| | |
|-------------------------|--------------|
| Member surcharge | = \$1,500.00 |
| Pre-hearing process fee | = \$600.00 |
| Hearing process fee | = \$2,500.00 |

Adjournment Fees

Adjournments requested during these proceedings:

December 5 - 7, 2001, adjournment by Respondents, \$562.50 assessed to Respondent Robert and \$562.50 assessed to Respondent JRC.

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:

Three (3) Pre-hearing sessions with Panel x \$1,125.00 = \$3,375.00

Pre-hearing conferences: September 17, 2001 1 session
 November 30, 2001 1 session
 December 20, 2001 1 session

Four (4) Hearing sessions x \$1,125.00 = \$4,500.00

Hearing Dates: March 27, 2002 2 sessions
 March 28, 2002 2 sessions

Total Forum Fees = \$7,875.00

The Panel has assessed \$3,937.50 of the forum fees to Respondent Robert.

The Panel has assessed \$3,937.50 of the forum fees to Respondent JRC.

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.

No administrative costs were incurred in this matter.

FEE SUMMARY

Claimants be and hereby are jointly and severally liable for:

Initial Filing Fee = \$300.00

Total Fees = \$300.00

Less payments = \$300.00

Balance Due NASD Dispute Resolution, Inc. = \$0.00

Respondent JRC be and hereby is solely liable for:

| | |
|-----------------|--------------|
| Member Fees | = \$4,600.00 |
| Adjournment Fee | = \$562.50 |
| Forum Fees | = \$3,937.50 |

| | |
|---------------|--------------|
| Total Fees | = \$9,100.00 |
| Less payments | = \$4,600.00 |

| | |
|---|--------------|
| Balance Due NASD Dispute Resolution, Inc. | = \$4,500.00 |
|---|--------------|

Respondent Robert be and hereby is solely liable for:

| | |
|-----------------|--------------|
| Adjournment Fee | = \$562.50 |
| Forum Fees | = \$3,937.50 |

| | |
|---------------|--------------|
| Total Fees | = \$4,500.00 |
| Less payments | = \$0.00 |

| | |
|---|--------------|
| Balance Due NASD Dispute Resolution, Inc. | = \$4,500.00 |
|---|--------------|

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

ARBITRATION PANEL

| | | |
|-----------------------|---|------------------------------------|
| Clayton J. Borne, Jr. | - | Public Arbitrator, Presiding Chair |
| David W. Earle | - | Public Arbitrator |
| John C. Anjier, Esq. | - | Non-Public Arbitrator |

Concurring Arbitrators' Signatures

/s/

Clayton J. Borne, Jr.
Public Arbitrator, Presiding Chair

Signature Date

/s/

David W. Earle
Public Arbitrator

Signature Date

/s/

John C. Anjier, Esq.
Non-Public Arbitrator

Signature Date

May 7, 2002

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

NASD Dispute Resolution, Inc.

Arbitration No. 01-01600

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Respondent JRC be and hereby is solely liable for:

| | |
|-----------------|--------------|
| Member Fees | = \$4,600.00 |
| Adjournment Fee | = \$562.50 |
| Forum Fees | = \$3,937.50 |

| | |
|------------|--------------|
| Total Fees | = \$9,100.00 |
|------------|--------------|

| | |
|---------------|--------------|
| Less payments | = \$4,600.00 |
|---------------|--------------|

| | |
|---|--------------|
| Balance Due NASD Dispute Resolution, Inc. | = \$4,500.00 |
|---|--------------|

Respondent Robert be and hereby is solely liable for:

| | |
|-----------------|--------------|
| Adjournment Fee | = \$562.50 |
| Forum Fees | = \$3,937.50 |

| | |
|------------|--------------|
| Total Fees | = \$4,500.00 |
|------------|--------------|

| | |
|---------------|----------|
| Less payments | = \$0.00 |
|---------------|----------|

| | |
|---|--------------|
| Balance Due NASD Dispute Resolution, Inc. | = \$4,500.00 |
|---|--------------|

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ARBITRATION PANEL

Clayton J. Borne, Jr.

Public Arbitrator, Presiding Chair

David W. Earle

Public Arbitrator

John C. Anjier, Esq.

Non-Public Arbitrator

Concurring Arbitrators' SignaturesClayton J. Borne, Jr.
Public Arbitrator, Presiding Chair5/6/02
Signature Date

David W. Earle
Public Arbitrator

Signature Date

NASD Dispute Resolution, Inc.
 Arbitration No. 01-01600
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Respondent JRC be and hereby is solely liable for:

| | |
|-----------------|--------------|
| Member Fees | = \$4,600.00 |
| Adjournment Fee | = \$562.50 |
| Forum Fees | = \$3,937.50 |

| | |
|---------------|--------------|
| Total Fees | = \$9,100.00 |
| Less payments | = \$4,600.00 |

| | |
|---|--------------|
| Balance Due NASD Dispute Resolution, Inc. | = \$4,500.00 |
|---|--------------|

Respondent Robert be and hereby is solely liable for:

| | |
|-----------------|--------------|
| Adjournment Fee | = \$562.50 |
| Forum Fees | = \$3,937.50 |

| | |
|---------------|--------------|
| Total Fees | = \$4,500.00 |
| Less payments | = \$0.00 |

| | |
|---|--------------|
| Balance Due NASD Dispute Resolution, Inc. | = \$4,500.00 |
|---|--------------|

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

ARBITRATION PANEL

Clayton J. Borne, Jr.
 David W. Earle
 John C. Anjier, Esq.

Public Arbitrator, Presiding Chair
 Public Arbitrator
 Non-Public Arbitrator

Concurring Arbitrators' Signatures

Clayton J. Borne, Jr.
 Public Arbitrator, Presiding Chair

Signature Date



David W. Earle
 Public Arbitrator



Signature Date

05-06-02 04:28pm From-

T-210 P.02/02 F-698

NASD Dispute Resolution, Inc.

Arbitration No. 01-01600

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John C. Anjier, Esq.
Non-Public Arbitrator


Signature Date

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