

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

John Wei, Trustee fbo John Wei MD Inc. Defined Benefit Pension Plan dtd 1-1-83, Claimant v.
Torrey Pines Securities, Inc. and William Gunderson, Respondents

Case Number: 02-05144

Hearing Site: Los Angeles, California

Nature of the Dispute: Customer v. Member and Associated Person

REPRESENTATION OF PARTIES

For Claimant:

Gregory Sherwin, Esq.
Fields, Fehn & Sherwin
Los Angeles, California

For Respondents:

Eileen L. McGeever, Esq.
Rushall & McGeever
Carlsbad, California

CASE INFORMATION

Statement of Claim filed: August 27, 2002

Claimant's Uniform Submission Agreement filed: August 27, 2002

Joint Statement of Answer filed by Respondents: November 1, 2002

Respondent Torrey Pines Securities, Inc.'s Uniform Submission Agreement signed:
September 25, 2002

Respondent William Gunderson's Uniform Submission Agreement signed: October 15, 2002

CASE SUMMARY

Claimant alleged breach of fiduciary duty, misrepresentation, churning, and unsuitability, involving unspecified tech-oriented securities.

Respondents denied the allegations of wrongdoing set forth in the Claimant's Statement of Claim.

RELIEF REQUESTED

Claimant requested \$276,329.00 in compensatory damages, unspecified punitive damages, and costs, including attorney's fees.

Respondents requested dismissal of the Claimant's Statement of Claim in its entirety, and costs including attorney's fees. Respondent William Gunderson also requested expungement of all reference to this arbitration from his CRD record.

OTHER ISSUES CONSIDERED AND DECIDED

On January 15, 2003, Claimant and Claimant's counsel signed a Waiver Agreement expressly waiving any and all rights and benefits under California Civil Code Section 1542 and the California Ethical Standards for Neutral Arbitrators.

On March 5, 2003, Respondents Torrey Pines Securities, Inc. and William Gunderson's counsel signed a Waiver Agreement on their behalf expressly waiving any and all rights and benefits under California Civil Code Section 1542 and the California Ethical Standards for Neutral Arbitrators.

On April 24, 2003, arbitrator Martin Rosenfeld, CPA was reclassified as a non-public arbitrator. The parties accepted the Panel's composition at the initial pre-hearing conference call on June 18, 2003.

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, testimony, and evidence presented at the hearing, the Panel decided in full and final resolution of the issues submitted for determination as follows:

- 1) Claimant's claims are denied in their entirety.
- 2) Respondent Torrey Pines Securities, Inc. is liable to and shall pay Claimant the sum of \$300.00 for reimbursement of the initial claim filing fee.
- 3) Respondents' request for expungement is denied.
- 4) Except as noted above, the parties shall bear their respective costs, including attorney's fees.
- 5) All other relief requested and 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	= \$ 300.00
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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 Torrey Pines Securities, Inc. is a party and the following fees are assessed:

Member Surcharge	= \$ 1,700.00
Pre-Hearing Process Fee	= \$ 750.00
<u>Hearing Process Fee</u>	<u>= \$ 2,750.00</u>
Total Member Fees	= \$ 5,200.00

Adjournment Fees

The following adjournment fees are assessed:

January 8 - 9, 2004 adjournment requested by all parties	= \$ 1,125.00
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The Panel waived the adjournment fee of \$1,125.00.

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 Panel. The following fees are assessed:

1 Pre-hearing conference session with the Panel @ \$1,125.00/session	= \$ 1,125.00
Pre-hearing conference: June 18, 2003 1 session	
2 Hearing sessions @ \$1,125.00/session	= \$ 2,250.00
Hearing: May 13, 2004 2 sessions	
Total Forum Fees	= \$ 3,375.00

1. The Panel assessed \$ 1,125.00 of the forum fees to Claimant.
2. The Panel assessed \$ 1,125.00 of the forum fees to Respondent Torrey Pines Securities, Inc.
3. The Panel assessed \$ 1,125.00 of the forum fees to Respondent William Gunderson.

Fee Summary

1. Claimant is charged with the following fees and costs:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$ 1,125.00
Total Fees	= \$ 1,425.00
Less payments	= \$(1,425.00)
Balance Due NASD Dispute Resolution	= \$ 0.00

2. Respondent Torrey Pines Securities, Inc. is charged with the following fees and costs:

Member Fees	= \$ 5,200.00
Forum Fees	= \$ 1,125.00
Total Fees	= \$ 6,325.00
Less payments	= \$(5,200.00)
Balance Due NASD Dispute Resolution	= \$ 1,125.00

3. Respondent William Gunderson is charged with the following fees and costs:

Forum Fees	= \$ 1,125.00
Less payments	= \$(0.00)
Balance Due NASD Dispute Resolution	= \$ 1,125.00

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.

ARBITRATION PANEL

Martin Rosenfeld, CPA	-	Non-Public Arbitrator, Presiding Chair
Michael D. Harrison, Esq.	-	Public Arbitrator
John B. Wells	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

Martin Rosenfeld, CPA
Chair, Non-Public Arbitrator

Signature Date

Michael D. Harrison, Esq.
Public Arbitrator

Signature Date

John B. Wells
Non-Public Arbitrator

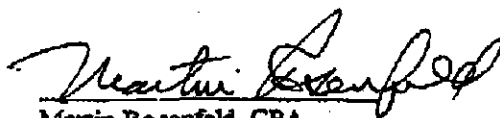
Signature Date

Date of Service

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Chair, Non-Public Arbitrator

5/20/04
Signature Date

Michael D. Harrison, Esq.
Public Arbitrator

Signature Date

John B. Wells
Non-Public Arbitrator

Signature Date

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Date of Service


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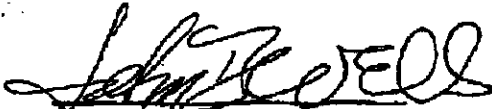
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Signature Date


John B. Wells
Non-Public Arbitrator

5/17/04
Signature Date

5/20/04
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