

Award
NASD Dispute Resolution

In the Matter of Arbitration Between:

E*TRADE Securities, Inc., (Claimant) vs. Cary Dorsi, (Respondent)

Case Number: 02-05391

Hearing Site: New York, New York

REPRESENTATION OF THE PARTIES

Claimant, E*TRADE Securities, Inc., hereinafter referred to as "Claimant": John Bersin, Esq. Assistant General Counsel, E*TRADE Securities, Inc., Rancho Cordova, CA.

Respondent, Cary Dorsi, hereinafter referred to as "Respondent", did not make an appearance in this matter.

CASE INFORMATION

Statement of Claim filed on or about: September 10, 2002.

Claimant signed the Uniform Submission Agreement: September 6, 2002.

Respondent did not file a Statement of Answer or sign a Uniform Submission Agreement.

CASE SUMMARY

Claimant asserted the following cause of action: breach of contract in that Respondent failed to pay for certain self-directed trading of Adelphia Communications Corp. common stock in a margin account in May 2002.

RELIEF REQUESTED

Claimant requested compensatory damages in the amount of \$99,632.78, plus interest at the prevailing legal rate from June 3, 2002, costs, attorneys' fees, and such other relief as the Panel deems just.

OTHER ISSUES CONSIDERED AND DECIDED

By motion dated November 22, 2002, Claimant moved for a default barring Respondent's submission of an Answer and entering an Award against Respondent. The Panel reserved decision on said motion.

NASD Dispute Resolution, Inc.
Arbitration No. 02-05391
Award Page 2 of 6

Upon review of the file and the representations made on behalf of Claimant, the undersigned Arbitrators, ("the Panel") determined that Respondent had been properly served with the Statement of Claim, and received due notice of the hearing, and that arbitration of the matter would proceed without Respondent present in accordance with the NASD Code of Arbitration Procedure ("the Code").

Respondent did not file with NASD Dispute Resolution a properly executed submission to arbitration, but having executed a pre-dispute arbitration agreement, the Panel found that he is required to submit to arbitration under the Code and is bound by the determination of the Panel on all issues submitted.

On motion of Claimant, the Panel agreed that the Award in this matter may be executed in counterparts, or that a handwritten signed Award may be executed.

AWARD

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

1. Respondent is liable for and shall pay to Claimant the sum of \$106,308.78 as compensatory damages. This amount includes an award of costs and interest.
2. All other requests for relief are hereby denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution will retain or collect the non-refundable filing fees for each claim.

Initial Claim Filing Fee

= \$ 1,000.00

NASD Dispute Resolution, Inc.

Arbitration No. 02-05391

Award Page 3 of 6

Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to that member firm that employed the associated persons at the time of the events giving rise to the dispute. In this matter, E*TRADE Securities, Inc. is a party.

Member Surcharge:	=	1,100.00
Pre-Hearing Processing Fee	=	750.00
Hearing Process Fee	=	1,700.00

Forum Fees and Assessments

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

One (1) Pre-hearing session with Panel @ \$750.00	= \$	750.00
Pre-hearing conference: February 19, 2003 1 session		

One (1) Hearing session @ \$750.00	= \$	750.00
Hearing Date: March 25, 2003 1 session		

Total Forum Fees	= \$	1,500.00
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The Panel has assessed all of the forum fees against Respondent.

Fee Summary

1. Claimant is solely liable for:

Initial Filing Fee	= \$	1,000.00
Member Fees	= \$	3,550.00
Total Fees	= \$	4,550.00
Less Payments:	= \$	3,600.00
Balance Due NASD Dispute Resolution	= \$	950.00

2. Respondent is solely liable for:

Forum Fees	= \$	1,500.00
Total Fees	= \$	0.00
Less Payments:	= \$	0.00
Balance Due to NASD Dispute Resolution	= \$	1,500.00

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

NASD Dispute Resolution, Inc.

Arbitration No. 02-05391

Award Page 4 of 6

ARBITRATION PANEL

Jack Friedman, Esq.	-	Public Arbitrator, Presiding Chair
Edwin E. Albom	-	Public Arbitrator
Gerald A. Guild	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

I, the undersigned arbitrator, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument which is my award.

Jack Friedman, Esq.
Public Arbitrator, Presiding Chair

Signature Date

Edward E. Albom
Public Arbitrator

Signature Date

Gerald A. Guild
Non-Public Arbitrator

Signature Date

Date of Service (for NASD Dispute Resolution office use only)

ARBITRATION PANEL

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Public Arbitrator, Presiding Chair

Signature Date



Edward E. Albom
Public Arbitrator

Signature Date

Gerald A. Guild
Non-Public Arbitrator

Signature Date

May 6, 2003

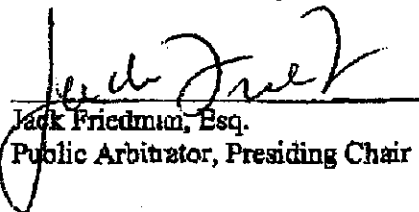
Date of Service (for NASD Dispute Resolution office use only)

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Jack Friedman, Esq.
Public Arbitrator, Presiding Chair

Signature Date

Edward E. Albom
Public Arbitrator

Signature Date

Gerald A. Guild
Non-Public Arbitrator

Signature Date

May 6, 2003

Date of Service (for NASD Dispute Resolution office use only)