

Award
NASD Dispute Resolution

COPY

In the Matter of the Arbitration Between:

Serena Mondavi Ventura, Claimant v. Deutsche Bank Securities, Inc. and Kent T. Baum,
Respondents

Case Number: 02-05429

Hearing Site: San Francisco, California

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

REPRESENTATION OF PARTIES

For Claimant:

Reed H. Bement, Esq.
Law Offices of
Reed H. Bement, Inc.
San Francisco, California

For Respondents:

Paul J. Schumacher, Esq.
Bingham McCutchen LLP
Los Angeles, California

CASE INFORMATION

Statement of Claim filed: September 9, 2002

Claimant's Arbitration Brief filed: October 22, 2004

Claimant's Uniform Submission Agreement signed: September 4, 2002

Joint Statement of Answer filed by Respondents Deutsche Bank Securities, Inc., formerly known as Deutsche Banc Alex. Brown Inc. ("DBSI") and Kent T. Baum: November 14, 2002

Respondents' Arbitration Brief filed: October 25, 2004

Respondent DBSI's Uniform Submission Agreement signed: November 14, 2002

Respondent Kent T. Baum's Uniform Submission Agreement signed: November 14, 2002

CASE SUMMARY

Claimant alleged that this arbitration involves damages suffered by Claimant as a result of Respondents' handling her assets in an unsuitable manner by recommending that Claimant retain her investment in Transmeta stock.

Respondents denied Claimant's allegations of wrongdoing and denied any liability to Claimant. Respondents also asserted affirmative defenses.

RELIEF REQUESTED

Claimant requested compensatory damages of \$440,924.00, or according to proof, interest on the amount awarded from September 1, 2001 to the date of the Award, and an amount representing a reasonable attorney's fee as determined by the arbitrators.

Respondents requested:

1. Dismissal of the Claim;
2. That Claimant take nothing by way of the Claim;
3. That the Respondents be awarded costs and expenses incurred in defending this Claim;
4. That the Panel enter an Order recommending the expungement of all reference to the above-captioned arbitration from Respondent Kent T. Baum's registration records maintained by the NASD CRD; and
5. That the Respondents be given such other relief as is just and proper.

OTHER ISSUES CONSIDERED AND DECIDED

On August 5, 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. Pursuant to the Code of Arbitration Procedure IM-10100 the waiver of the Claimant shall constitute and operate as a waiver for all member firms and associated persons (including terminated or otherwise inactive member firms or associated persons) against whom the Claim has been filed.

During the hearing, the Panel granted Respondents' motion to dismiss the claim for failure to supervise.

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. Respondents DBSI and Kent T. Baum are jointly and severally liable for and shall pay to Claimant the sum of \$43,247.94.
2. Each party shall bear its own costs, including attorney's fees.
3. All other relief not expressly granted is denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD-DR 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, DBSI 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>	= \$2,750.00
Total Member Fees	= \$5,200.00

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:

(1) Pre-hearing conference with a single arbitrator @ \$450.00/session	= \$450.00
Pre-hearing conference: October 6, 2004 1 session	
(1) Pre-hearing conference session with the Panel @ \$1,125.00/session	= \$1,125.00
Pre-hearing conference: March 9, 2004 1 session	

(6) Hearing sessions @ \$1,125.00/session		= \$6,750.00
Hearings:	November 3, 2004	2 sessions
	November 4, 2004	2 sessions
	November 5, 2004	2 sessions

Total Forum Fees	= \$8,325.00
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The Panel assessed \$4,162.50 in forum fees to Claimant.

The Panel assessed \$4,162.50 in forum fees jointly and severally to Respondents, DBSI and Kent T. Baum.

Administrative Costs

Administrative costs are expenses incurred because a party requested additional services beyond the normal administrative services. These additional services include, but are not limited to, additional copies of arbitrator awards, copies of audio transcripts, retrieval of documents from archives, interpreters, security, and other requests.

Claimant requested additional copies of arbitrator awards:	= \$ 70.00
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Fee Summary

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

Initial Filing Fee	= \$ 300.00
Administrative Costs	= \$ 70.00
<u>Forum Fees</u>	= \$ 4,162.50
Total Fees	= \$ 4,532.50
<u>Less Payments</u>	= \$ (1,495.00)
Balance Due NASD-DR	= \$ 3,037.50

2. Respondent DBSI is charged with the following fees and costs:

Member Fees	= \$ 5,200.00
<u>Less Payments</u>	= \$ (5,200.00)
Balance Due NASD-DR	= \$ 0.00

3. Respondents DBSI and Kent T. Baum are charged jointly and severally with the following fees and costs:

Forum Fees	= \$ 4,162.50
<u>Less Payments</u>	= \$ (0.00)
Balance Due NASD-DR	= \$ 4,162.50

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

ARBITRATION PANEL

Ralph A. Cotton, CPA	-	Public Arbitrator, Presiding Chair
Arturo Maimoni	-	Public Arbitrator
Kurt H. Benner	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

Ralph A. Cotton, CPA
Chair, Public Arbitrator

Signature Date

Arturo Maimoni
Public Arbitrator

Signature Date

Kurt H. Benner
Non-Public Arbitrator


Signature Date

Date of Service

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Arturo Maimoni	-	Public Arbitrator
Kurt H. Benner	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures



Ralph A. Cotton, CPA
Chair, Public Arbitrator

Nov 9, 2004

Signature Date

Arturo Maimoni
Public Arbitrator

Signature Date

Kurt H. Benner
Non-Public Arbitrator

Signature Date

11/12/04

Date of Service


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Ralph A. Cotton, CPA	-	Public Arbitrator, Presiding Chair
Arturo Maimoni	-	Public Arbitrator
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Signature Date



Arturo Maimoni
Public Arbitrator



Signature Date

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Non-Public Arbitrator

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Ralph A. Cotton, CPA
Chair, Public Arbitrator

Signature Date

Arturo Maimoni
Public Arbitrator

Signature Date



Kurt H. Benner
Non-Public Arbitrator

11/10/2004

Signature Date

11/12/04

Date of Service