

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

E*Trade Securities, LLC, Claimant v. John Michael O'Connor and Tammy Lynn O'Connor,
Respondents

Case Number: 02-06379

Hearing Site: Seattle, Washington

Nature of the Dispute: Member v. Customers

REPRESENTATION OF PARTIES

For Claimant:

John Bersin, Esq.
E*Trade Securities, LLC
Rancho Cordova, California

Respondents did not appear.

CASE INFORMATION

Statement of Claim filed: October 15, 2002

Claimant's Uniform Submission Agreement signed: October 14, 2002

Respondents did not file Answers or Uniform Submission Agreements.

CASE SUMMARY

Claimant alleged breach of contract and fraud. Claimant's allegations involved a debit balance resulting from Respondents' trading of unspecified securities and options in a margin account.

RELIEF REQUESTED

Claimant requested \$ 46,956.47 in compensatory damages, interest at the legal rate, and costs.

OTHER ISSUES CONSIDERED AND DECIDED

Respondents did not file with NASD Dispute Resolution properly executed submission agreements but are required to submit to arbitration pursuant to with the NASD Code of Arbitration Procedure (the "Code") and are by the determination of the Arbitrator on all issues submitted.

During the hearing, Claimant's counsel represented that Claimant and Respondent Tammy Lynn O'Connor reached a settlement prior to the hearing and that the claim against Tammy Lynn O'Connor was dismissed with prejudice.

Upon review of the file and the representations made on behalf of the Claimant, the undersigned Arbitrator determined that Respondent John Michael O'Connor was properly served with the Statement of Claim and received due notice of the hearing, and that arbitration of the matter would proceed without said Respondent present, in accordance with the Code.

Claimant agreed that a handwritten, signed Award may be entered.

AWARD

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

1. Respondent John Michael O'Connor is liable to and shall pay to Claimant compensatory damages in the amount of \$49,956.42.
2. Respondent John Michael O'Connor is liable to and shall pay to Claimant interest on \$49,956.42 at 9.75% per annum from April 9, 2001 through the date the Award is served.
3. This Award shall bear interest at the rate of 12% per annum on any balance that remains unpaid thirty (30) days after receipt hereof, unless a motion to vacate has been filed with a court of competent jurisdiction. If this award is the subject of a motion to vacate that is subsequently denied, this award shall bear interest at the rate of 12% per annum on any balance that remains unpaid from date of the court's order denying said motion to vacate.
4. The parties shall bear their respective costs, including attorney's fees, except for the fees as specifically addressed below.
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	= \$1,000.00
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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 E*Trade Securities, LLC is a party and the following fees are assessed:

Member Surcharge	= \$ 875.00
Pre-Hearing Process Fee	= \$ 750.00
<u>Hearing Process Fee</u>	<u>= \$1,000.00</u>
Total Member Fees	= \$2,625.00

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 or the parties and the Panel. The following fees are assessed:

One (1) Pre-hearing conference session with the arbitrator @ \$450.00/session	= \$ 450.00
Pre-hearing conference: January 7, 2004 1 session	
One (1) Hearing sessions @ \$450.00/session	= \$ 450.00
<u>Hearing: April 6, 2004 1 session</u>	<u></u>
Total Forum Fees	= \$ 900.00

The Arbitrator assessed the entire balance of the forum fees, in the amount of \$ 900.00, to Respondent John Michael O'Connor.

Fee Summary

1. Claimant E*Trade Securities, LLC is charged with the following fees and costs:

Initial Filing Fee	= \$ 1,000.00
<u>Member Fees</u>	= \$ 2,625.00
Total Fees	= \$ 3,625.00
<u>Less payments</u>	= \$(4,075.00)
Refund Due Claimant	= \$ (450.00)

2. Respondent John Michael O'Connor is charged with the following fees and costs:

<u>Forum Fees</u>	= \$ 900.00
Balance Due NASD Dispute Resolution	= \$ 900.00

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.


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ARBITRATION PANEL

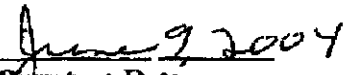
Roy J. Mocer, Esq.

Public Arbitrator

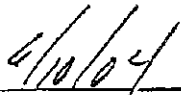
Arbitrator's Signature



Roy J. Mocer, Esq.
Public Arbitrator



Signature Date



Date of Service