

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Marvin Morrow (Claimant) v. R.J. Steichen & Co. and Miles U. Braufman (Respondents)

Case Number: 02-06772

Hearing Site: New York, New York

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

REPRESENTATION OF PARTIES

Claimant Marvin Morrow ("Morrow") hereinafter referred to as "Claimant": Richard A. Roth, Esq., The Roth Law Firm, New York, NY. Previously represented by: Richard A. Roth, Littman, Krooks & Roth, P.C., New York, NY.

Respondents R.J. Steichen & Co. ("RJ Steichen") and Miles U. Braufman ("Braufman") hereinafter collectively referred to as "Respondents": F. Chet Taylor, Esq., Meikle & Taylor, P.A., Minneapolis, MN.

CASE INFORMATION

Statement of Claim filed on or about: November 8, 2002.

Claimant signed the Uniform Submission Agreement: November 12, 2002.

Joint Statement of Answer filed by Respondents on or about: January 15, 2003.

RJ Steichen signed the Uniform Submission Agreement.

Braufman signed the Uniform Submission Agreement.

CASE SUMMARY

Claimant asserted the following causes of action: failure to follow instructions; unauthorized trading; churning; breach of fiduciary duty; violation of NASD Rules; and failure to supervise.

Claimant's claim involved shares of NRG Energy and unspecified securities.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

Claimant requested damages in an amount to be determined by the arbitral panel at the hearing, but believed to be no less than \$500,000.00 plus interest; pre-award and post-award interest at the maximum rate allowed by law from the date the losses were incurred

to the date of this arbitration hearing; attorneys' fees, costs, filing fees and other damages the panel may deem just and fair, including punitive damages in an amount to be determined by the arbitral panel, and any further and additional relief that the arbitration panel deems just and proper.

Respondents requested that the arbitration panel dismiss all claims asserted against them in this arbitration. In addition, Respondents requested an award of their costs and attorneys' fees incurred in defending this arbitration.

OTHER ISSUES CONSIDERED AND DECIDED

At the hearing, with the consent of the Panel, Claimant amended his claim to only include the claim of failure to execute. In addition, Claimant specified the damages sought in this arbitration to be \$756,821.26 from March 10, 2000 through May 15, 2002, plus statutory interest at a rate of 9 ½ % for a total claim of \$1,010,790.22.

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

1. Respondents are jointly and severally liable for and shall pay to Claimant compensatory damages in the amount of \$120,720.98.
2. Any and all relief not specifically addressed herein, including punitive damages, is 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	= \$375.00
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Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firm that employed the associated person at the time of the events giving rise to the dispute. Accordingly, R.J. Steichen & Co. is a party.

Member surcharge	= \$2,250.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$4,000.00

Forum Fees and Assessments

The Panel has assessed 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 a single arbitrator @ \$450.00 = \$ 450.00
Pre-hearing conference: September 24, 2003 1 session

One (1) Pre-hearing session with Panel @ \$1,125.00 = \$1,125.00
Pre-hearing conference: August 1, 2003 1 session

Four (4) Hearing sessions @ \$1,200.00 = \$4,800.00
Hearing Dates: November 6, 2003 2 sessions
November 7, 2003 2 sessions

Total Forum Fees = \$6,375.00

1. The Panel has assessed \$3,187.50 of the forum fees against Claimant.
2. The Panel has assessed \$3,187.50 of the forum fees jointly and severally against Respondents.

Administrative Costs

Administrative costs are expenses incurred due to a request by a party for special services beyond the normal administrative services. These include, but not limited to, additional copies of arbitrator awards, copies of audio transcripts, retrieval of documents from archives, interpreters, and security.

1. NASD Dispute Resolution made photocopies on Claimant's behalf: = \$26.00

Fee Summary

1. Claimant is solely liable for:

Initial Filing Fee	= \$ 375.00
Forum Fees	= \$3,187.50
<u>Administrative Costs</u>	= \$ 26.00
Total Fees	= \$3,588.50
<u>Less payments</u>	= \$1,425.00

Balance Due NASD Dispute Resolution = \$2,163.50

2. RJ Steichen is solely liable for:

<u>Member Fees</u>	= \$7,000.00
<u>Total Fees</u>	= \$7,000.00
<u>Less payments</u>	= \$5,200.00
Balance Due NASD Dispute Resolution	= \$1,800.00

3. Respondents are jointly and severally liable for:

<u>Forum Fees</u>	= \$3,187.50
<u>Total Fees</u>	= \$3,187.50
<u>Less payments</u>	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$3,187.50

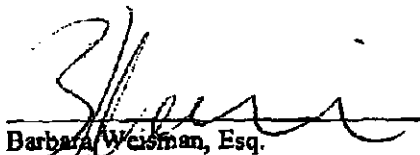
All balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

Barbara Weisman, Esq.	-	Public Arbitrator, Presiding Chair
Romeo J. Barros, Esq.	-	Public Arbitrator
Barry R. Lax, Esq.	-	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.


Barbara Weisman, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date

Romeo J. Barros, Esq.
Public Arbitrator

Signature Date

Barry R. Lax, Esq.
Non-Public Arbitrator

Signature Date

November 26, 2003
Date of Service (For NASD Dispute Resolution use only)

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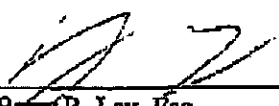
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