

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimant
Jack N. Frost

Case Number: 03-04319

Name of the Respondent
E*Trade Securities, LLC

Hearing Site: Philadelphia, PA

Nature of the Dispute: Customer vs. Member

REPRESENTATION OF PARTIES

Claimant, Jack N. Frost ("Frost"), hereinafter referred to as "Claimant", represented himself at the hearing.

Respondent, E*Trade Securities, LLC ("E*Trade"), hereinafter referred to as "Respondent", was represented by John Bersin, Esq., E*Trade Securities, LLC, Rancho Cordova, California.

CASE INFORMATION

Statement of Claim filed on: June 8, 2003.

Claimant signed the Uniform Submission Agreement on: July 2, 2003.

Statement of Answer filed by Respondent on: September 2, 2003.

A representative of Respondent signed the Uniform Submission Agreement on: September 2, 2003.

Respondent filed a Motion to Dismiss and for Sanctions on: June 11, 2004.

Claimant filed a Response to the Motion to Dismiss and for Sanctions on: June 24, 2004.

CASE SUMMARY

In his Statement of Claim, Claimant asserted the following cause of action: that Respondent erroneously liquidated his account due to a margin call. The cause of action relates to the sale of shares of SINA stock.

Unless specifically admitted in its Answer, Respondent denied the allegations made in the Statement of Claim.

RELIEF REQUESTED

Claimant in his Statement of Claim requested:

Compensatory Damages
Attorney's Fees

\$ 2,403.99
amount unspecified

Other Costs

amount unspecified

Respondent in its Statement of Answer requested that the Statement of Claim be dismissed and that the costs of this proceeding be assessed against Claimant.

OTHER ISSUES CONSIDERED AND DECIDED

On June 28, 2004, the Arbitrator denied Respondent's Motion to Dismiss and for Sanctions.

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

1. Respondent shall pay Claimant compensatory damages in the amount of five-hundred dollars and no cents (\$ 500.00);
2. All claims for attorney's fees are denied in their entirety;
3. The parties shall bear their respective costs, including attorney's fees, except as Fees are specifically addressed below; and,
4. Any and all relief not specifically addressed herein is denied in its entirety.

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 = \$ 25.00

Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firms that employed the associated person(s) at the time of the events giving rise to the dispute. Accordingly, Respondent E*Trade is a party.

Member surcharge	= \$ 150.00
Total Member Fees	= \$ 150.00

Forum Fees and Assessments

The Arbitrator has assessed forum fees for each session conducted. A session is any meeting

between the parties and the arbitrator(s), including a pre-hearing conference with the arbitrator(s), that lasts four (4) hours or less. Fees associated with these proceedings are:

Four (4) Pre-hearing sessions with a single arbitrator @ \$ 50.0 = \$ 200.00

Pre-hearing conferences:	December 16, 2003	1 session
	January 19, 2004	1 session
	May 19, 2004	1 session
	June 11, 2004	1 session

Two (2) Hearing sessions @ \$ 50.00 = \$ 100.00

Hearing Dates: July 1, 2004 2 sessions

Total Forum Fees = \$ 300.00

1. The Arbitrator has assessed \$ 150.00 of the forum fees to Claimant.
2. The Arbitrator has assessed \$ 150.00 of the forum fees to Respondent.

SEE SUMMARY

1. Claimant, Frost, is assessed and shall pay the following fees:

Initial Filing Fee	= \$ 25.00
Forum Fees	= \$ 150.00
Total Fees	= \$ 175.00
Less payments	= \$ 75.00
Balance Due NASD Dispute Resolution	= \$ 100.00

2. Respondent, E*Trade, is assessed and shall pay the following fees:

Member Fees	= \$ 150.00
Forum Fees	= \$ 150.00
Total Fees	= \$ 300.00
Less payments	= \$ 150.00
Balance Due NASD Dispute Resolution	= \$ 150.00

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

SOLE ARBITRATOR

Daniel E. Miller, Esq.

- Public Arbitrator, Sole Arbitrator

Sole Arbitrator's Signature

Daniel E. Miller

Daniel E. Miller, Esq.
Public Arbitrator, Sole Arbitrator

July 3, 2004
Signature Date

July 6, 2004
Date of Service (For NASD Dispute Resolution office use only)