

**Award**  
**NASD Dispute Resolution**

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In the Matter of the Arbitration Between:

Wedbush Morgan Securities, Inc., Claimant v. Rene Henriksen, Respondent

Case Number: 03-05359

Hearing Site: Los Angeles, California

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Nature of the Dispute: Member v. Associated Person

**REPRESENTATION OF PARTIES**

For Claimant:

Judy Louie, Esq.  
Wedbush Morgan Securities, Inc.  
Los Angeles, California

For Respondent:

Thomas E. Francis, Esq.  
Bohm, Francis, Kegel & Aguilera, LLP  
Costa Mesa, California

**CASE INFORMATION**

Statement of Claim filed: July 15, 2003

Claimant's Uniform Submission Agreement signed: July 16, 2003

Statement of Answer filed: December 13, 2003

Respondent's Uniform Submission Agreement signed: October 7, 2003

**CASE SUMMARY**

Claimant alleged default of a promissory note.

Respondent denied the allegations of wrongdoing set forth in the Claimant's Statement of Claim.

**RELIEF REQUESTED**

Claimant requested \$73,688.25 in principal, pre-judgment interest, and costs, including attorney's fees.

Respondent requested dismissal of the Claimant's Statement of Claim in its entirety and costs.

**OTHER ISSUES CONSIDERED AND DECIDED**

On December 10, 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.

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) Respondent is liable to and shall pay Claimant the sum of \$60,000.00 in compensatory damages.
- 2) The parties shall bear their respective costs, including attorney's fees.
- 3) 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 Wedbush Morgan Securities, Inc. is a party and the following fees are assessed:

Member Surcharge	= \$1,100.00
Pre-Hearing Process Fee	= \$ 750.00
Hearing Process Fee	= \$1,700.00
<b>Total Member Fees</b>	<b>= \$3,550.00</b>

#### **Adjournment Fees**

The following adjournment fees are assessed:

October 6-7, 2004 adjournment requested by Respondent	= \$ 750.00
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#### **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:

Two (2) Pre-hearing conference sessions with the Panel @ \$750.00/session	= \$1,500.00
Pre-hearing conferences:     March 4, 2004             1 session	
October 15, 2004         1 session	
One (1) Hearing session @ \$750.00/session	= \$ 750.00
Hearing:                             June 8, 2005             1 session	
<b>Total Forum Fees</b>	<b>= \$2,250.00</b>

1. The Panel assessed \$750.00 of the forum fees to Claimant.
2. The Panel assessed \$750.00 of the forum fees to Respondent.
3. The Panel waived the forum fee, in the amount of \$750.00, for the October 15, 2004 pre-hearing conference.

**Fee Summary**

1. Claimant Wedbush Morgan Securities, Inc. is charged with the following fees and costs:

Initial Filing Fee	= \$ 1,000.00
Member Fees	= \$ 3,550.00
Forum Fees	= \$ 750.00
Total Fees	= \$ 5,300.00
Less payments	= \$(5,300.00)
<b>Balance Due NASD Dispute Resolution</b>	<b>= \$ 0.00</b>

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

Adjournment Fee	= \$ 750.00
Forum Fees	= \$ 750.00
Total Fees	= \$ 1,500.00
Less payments	= \$( 0.00)
<b>Balance Due NASD Dispute Resolution</b>	<b>= \$ 1,500.00</b>

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.

NASD Dispute Resolution  
Arbitration No. 03-05359  
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ARBITRATION PANEL

Martin Rosenfeld	-	Non-Public Arbitrator, Presiding Chair
Dawn M. Kirchner	-	Non-Public Arbitrator
Leo B. Rotter	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures



Martin Rosenfeld  
Chair, Non-Public Arbitrator

6/8/05  
Signature Date

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Dawn M. Kirchner  
Non-Public Arbitrator

\_\_\_\_\_  
Signature Date

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Leo B. Rotter  
Non-Public Arbitrator

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Signature Date

June 9, 2005  
Date of Service

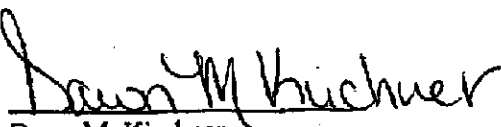
ARBITRATION PANEL

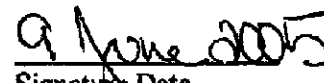
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Chair, Non-Public Arbitrator

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Chair, Non-Public Arbitrator

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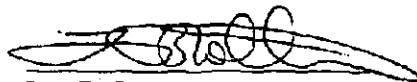
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Dawn M. Kirchner  
Non-Public Arbitrator

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Signature Date



Leo B. Rotter  
Non-Public Arbitrator

6-9-05  
Signature Date

June 9, 2005  
Date of Service