

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Henry C. Chang, Claimant v. James Harold Goode, Jr., Respondent

Case Number: 03-05741

Hearing Site: Los Angeles, California

Nature of the Dispute: Associated Person vs. Member

REPRESENTATION OF PARTIES

For Claimant:

Stephen S. Chang, Esq.
Santa Ana, California

For Respondent:

James H. Goode, Jr.
San Clemente, California

CASE INFORMATION

Statement of Claim filed: August 6, 2003

First Amended Statement of Claim and Schedule of Damages filed: January 13, 2004

Second Amended Statement of Claim and Schedule of Damages filed: February 3, 2004

Claimant's Uniform Submission Agreement signed: August 11, 2003

CASE SUMMARY

Claimant's original, First Amended and Second Amended Statement of Claims alleged wrongful reduction of commissions and wrongful withholding of filing NASD Form U-5.

RELIEF REQUESTED

Claimant's original Statement of Claim requested actual damages of 2,332.50 and an order of specific performance requiring Respondent to file a Form U-5 with NASD.

Claimant's First Amended Statement of Claim and Schedule of Damages requested actual damages of \$2,332.50, compensatory damages of \$36,315.04, punitive damages of \$36,315.04, costs of the arbitration, and an order of specific performance requiring Respondent to file a Form U-5 with NASD.

Claimant's Second Amended Statement of Claim and Schedule of Damages requested actual damages of \$2,332.50, compensatory damages of \$36,315.04, punitive damages of \$11,352.45, costs of the arbitration, and an order of specific performance requiring Respondent to file a Form U-5 with NASD.

OTHER ISSUES CONSIDERED AND DECIDED

On October 9, 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.

Upon review of the file and the representations made by and on behalf of the Claimant, the undersigned Arbitrator determined that Respondent James Harold Goode, Jr. 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 NASD Code of Arbitration Procedure ("the Code").

Respondent James Harold Goode, Jr. did not file with NASD Dispute Resolution an Answer or a properly executed submission agreement but is required to submit to arbitration pursuant to the Code and is bound by the determination of the Arbitrator on all issues submitted.

On October 21, 2003, Claimant filed a Motion for Default against Respondent James Harold Goode, Jr.

On January 14, 2004, the Arbitrator granted Claimant's First Motion to Amend the Statement of Claim and Schedule of Damages pursuant to Rule 10328 of the Code.

On January 15, 2004, at the telephonic hearing, the Arbitrator after reviewing the papers submitted and hearing oral argument granted Claimant's Motion for Default against Respondent James Harold Goode, Jr.

On February 5, 2004, the Arbitrator granted Claimant's Second Motion to Amend the Statement of Claim and Schedule of Damages pursuant to Rule 10328 of the Code.

AWARD

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

- 1) Respondent James Harold Goode, Jr. is liable to and shall pay Claimant the sum of \$2,332.50 in actual damages.
- 2) Respondent James Harold Goode, Jr. is liable to and shall pay Claimant the sum of \$36,315.04 in compensatory damages.
- 3) Respondent James Harold Goode, Jr. is liable to and shall pay Claimant the sum of \$11,352.45 in punitive damages.
- 4) Respondent James Harold Goode, Jr. is liable to and shall pay Claimant the sum of \$225.00 as reimbursement for the NASD Dispute Resolution arbitration claim-filing fee.
- 5) Respondent NASD member firm James Harold Goode, Jr. is hereby ordered to file with the Central Registration Depository ("CRD") a full Form U5 within 10 days of this ruling.
- 6) 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	= \$ 225.00
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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 James Harold Goode, Jr. is a party and is assessed the following fees:

Member Surcharge	= \$1,100.00
<u>Pre-Hearing Process Fee</u>	= \$ 750.00
Total Member Fees	= \$1,850.00

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, including a pre-hearing conference, that lasts four (4) hours or less. The following fees are assessed:

1 Pre-hearing conference session with the Arbitrator @ \$450.00 = \$ 450.00
Pre-hearing conference: January 15, 2004 1 session

Total Forum Fees = \$ 450.00

The Arbitrator assessed \$ 450.00 of the forum fees to Respondent James Harold Goode, Jr.

Fee Summary

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

Initial Filing Fee	= \$ 225.00
<u>Less payments</u>	= \$ (75.00)
Balance Due NASD Dispute Resolution	= \$ 150.00

2. Respondent James Harold Goode, Jr. is charged with the following fees and costs:

Member Fees	= \$1,850.00
<u>Forum Fees</u>	<u>= \$ 450.00</u>
Total Fees	= \$2,300.00
<u>Less payments</u>	<u>= \$ (150.00)</u>
Balance Due NASD Dispute Resolution	= \$2,150.00

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.

ARBITRATOR

Marvin B. Karelitz

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Non-Public Arbitrator

Arbitrator Signature

Marvin B. Karelitz
Non-Public Arbitrator

Signature Date

Date of Service
(NASD use only)

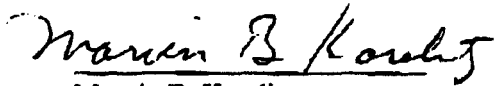
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ARBITRATOR

Marvin B. Karelitz

Non-Public Arbitrator

Arbitrator Signature



Marvin B. Karelitz
Non-Public Arbitrator

2-18-2004

Signature Date

02/18/04

Date of Service