

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Harry C. Deforest, Claimant v. Standard Investment Chartered, Inc. and John H. Norberg,
Respondents

Case Number: 04-00756

Hearing Site: San Francisco, California

Nature of the Dispute: Associated Person v. Member and Associated Person

REPRESENTATION OF PARTIES

For Claimant:

In Propria Persona
Redwood City, California

For Respondents:

George Hill, President
John H. Norberg, Chairman
Standard Investment Chartered, Inc.
Costa Mesa, California

CASE INFORMATION

Statement of Claim filed: February 27, 2004

Claimant's Uniform Submission Agreement signed: February 2, 2004

Joint Statement of Answer filed by Respondents: July 7, 2004

Joint Uniform Submission Agreement signed by Respondents: July 5, 2004

CASE SUMMARY

Claimant alleged that Respondents excessively withheld his commissions for legal fees associated with NASD Arbitration Case #97-04182.

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

RELIEF REQUESTED

Claimant requested \$11,075.00 in compensatory damages, interest and filing fees.

Respondents requested dismissal of the Claimant's Statement of Claim in its entirety.

OTHER ISSUES CONSIDERED AND DECIDED

On May 1, 2004, Claimant 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.

On July 31, 2004, Claimant filed a Motion for Summary Judgment. On October 13, 2004, after reviewing the parties' submissions, the Arbitrator denied the motion.

On August 9, 2004, Respondents filed a Motion to Dismiss. On October 13, 2004, after reviewing the parties' submissions, the Arbitrator denied the motion.

On January 18, 2005, Respondents filed a second Motion to Dismiss. On January 28, 2005, after reviewing the parties' submissions, the Arbitrator requested further information. Then, on February 4, 2005, after reviewing the additional submissions, the Arbitrator denied the motion.

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) Claimant's claims are denied in their entirety.
- 2) The parties shall bear their respective costs.
- 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 = waived

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 Standard Investment Chartered, Inc. is a party and the following fees are assessed:

Member Surcharge = \$ 425.00

Adjournment Fees

The following adjournment fees are assessed:

December 20, 2004 Hearing Date Adjournment requested
by Respondents = waived

Forum Fees and Assessments

The Arbitrator 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 Arbitrator. The following fees are assessed:

(1) Pre-hearing conference session @ \$450.00/session = \$450.00

Pre-hearing conference: October 4, 2004 1 session

(1) Hearing session @ \$450.00/session = \$450.00

Hearing: February 7, 2005 1 session

Total Forum Fees = \$900.00

1. The Arbitrator assessed \$450.00 of the forum fees to Claimant.
2. The Arbitrator assessed \$450.00 of the forum fees jointly and severally to Respondents.

Fee Summary

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

Forum Fees	= \$ 450.00
<u>Less payments</u>	= \$ (0.00)
Balance Due NASD Dispute Resolution	= \$ 450.00

2. Respondent Standard Investment Chartered, Inc. is charged with the following fees and costs:

Member Fees	= \$ 425.00
<u>Less payments</u>	= \$(425.00)
Balance Due NASD Dispute Resolution	= \$ 0.00

3. Respondents Standard Investment Chartered, Inc. and John H. Norberg are charged jointly and severally with the following fees and costs:

Forum Fees	= \$ 450.00
<u>Less payments by Standard Investment Chartered, Inc.</u>	= \$(450.00)
Balance Due NASD Dispute Resolution	= \$ 0.00

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.

NASD Dispute Resolution
Arbitration No. 04-00756
Award Page 5 of 5

ARBITRATOR

Nicholas J. Caputo

Non-Public Arbitrator

Arbitrator's Signatures

Nicholas J. Caputo
Non-Public Arbitrator

Signature Date

Date of Service

ARBITRATOR

Nicholas J. Caputo

Non-Public Arbitrator

Arbitrator's Signatures



Nicholas J. Caputo
Non-Public Arbitrator

2/8/05

Signature Date

2/8/05

Date of Service