

**AWARD
NASD DISPUTE RESOLUTION**

In the Matter of the Arbitration Between:

Morgan Keegan & Company, Inc.
Claimant,
vs.
Chad James Johnson,
Respondent.

Situs: Dallas, Texas.

Case Number: 04-06252

NATURE OF DISPUTE: Member v. Associated Person

REPRESENTATION OF PARTIES: Morgan Keegan & Company, Inc., hereinafter referred to as "Claimant": Shea O'Brien Hicks, Esq. of Morgan Keegan & Company, Inc., Memphis, Tennessee.

Respondent did not enter an appearance, file an Answer, or file an executed Uniform Submission Agreement in this matter.

DATE FILED: September 1, 2004.

CASE SUMMARY: Claimant alleged that Respondent failed to pay the amount due on two promissory notes executed as forgivable loans during Johnson's employment with Morgan Keegan. The Notes became due and owing upon the termination of Respondent's employment June 9, 2004.

Claim Data		Award Data	
Claim:	\$105,000.00	Award:	\$105,000.00
Punitive:	None	Punitive:	None
Attorney's Fees:	\$3,000.00	Attorney's Fees:	\$3,000.00
Filing Fees:	\$3,825.00	Filing Fees:	\$1,300.00
Other:	10% interest	Other:	\$10% interest

OTHER ISSUES: By letter dated December 9, 2004, Claimant opted to proceed against Respondent Chad James Johnson pursuant to Rule 10314(e) of the *NASD Code of Arbitration Procedure* ("Code"). The Arbitrator determined that Respondent Johnson was properly served notice of the Statement of Claim and Notification of the Arbitrator by certified mail, and that Respondent Johnson is required to submit to arbitration pursuant to the Code and is bound by the determination of the Arbitrator on all issues submitted.

AWARD: The undersigned arbitrator has decided and determined in full and final resolution of the issues submitted for determination as follows:

1. Respondent Chad James Johnson is liable for and shall pay to Claimant Morgan Keegan & Co., Inc. the sum of \$60,000.00 plus interest at the rate of 10% per annum accruing from October 3, 2001 and ending when the Award is paid in full;
2. In addition, Respondent Chad James Johnson is liable for and shall pay to Claimant Morgan Keegan & Co., Inc. the sum of \$45,000.00 plus interest at the

rate of 10% per annum accruing from March 20, 2002 and ending when the Award is paid in full

3. Furthermore, Respondent Chad James Johnson is liable for and shall pay to Claimant Morgan Keegan & Co., Inc. the sum of \$3,000.00 as attorneys' fees. In deciding to award attorneys' fees, the Arbitrator considered the Promissory Notes and Agreements executed by Respondent and determined that authority existed for an award of attorneys' fees to the Claimant;
4. Respondent Chad James Johnson is also liable for and shall pay to Claimant Morgan Keegan & Co., Inc. the sum of \$1,300.00 as reimbursement of the non-refundable filing fee and forum fees paid by Claimant; and,
5. All other relief requests are denied.

FORUM FEES: The \$1,000.00 filing fee previously deposited by Claimant shall be retained by NASD Dispute Resolution.

Paper Decision Fee	= \$ 300.00
Total Forum Fees	= \$ 300.00

The arbitrator assessed \$300.00 of the forum fees against Claimant Morgan Keegan & Company, Inc. Any Hearing Session Deposit remaining will be refunded

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. Member fees are not chargeable to any other party. Accordingly, Morgan Keegan & Co., Inc. is a party and the following member fees are assessed:

Member surcharge	= \$ 1,700.00
Pre-hearing process fee	= \$ 750.00

ADJOURNMENT FEES: Adjournments granted during these proceedings for which fees were assessed: None.

ARBITRATION PANEL

Dolores Martin

Sole Non-Public Arbitrator

Dolores Martin
Dolores Martin

3-14-05
Signature Date

3/14/05 MM
Date of Service (For NASD-DR office use only)