

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Gerald Montiel, Claimant v. Newbridge Securities Corporation and Randall Scott Humphrey, Respondents

Case Number: 05-05368

Hearing Site: San Diego, California

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

REPRESENTATION OF PARTIES

For Claimant:

Paul Kennerson, Esq.
John K. Grant, Esq.
Kennerson & Grant, LLP
San Diego, California

For Respondent Newbridge Securities Corporation:

Alan H. Schonfeld, Esq.
Ault, Schonfeld, Jordan, & Munro
LLP
San Diego, California

Gregg J. Breitbart, Esq.
Newbridge Securities Corp.
Ft. Lauderdale, Florida

For Respondent Randall Scott Humphrey:

In Propria Persona
Scottsdale, Arizona

CASE INFORMATION

Statement of Claim filed: October 17, 2005

Claimant's Uniform Submission Agreement signed: October 10, 2005

Statement of Answer filed by Respondent Newbridge Securities Corporation: December 23, 2005

Respondent Newbridge Securities Corporation's Uniform Submission Agreement signed: December 23, 2005

CASE SUMMARY

Claimant alleged unauthorized trading, deceit/non-disclosure, breach of fiduciary duty, unsuitability, trading errors, failure to supervise, and breach of contract. Claimant's allegations involved Intra Asia Entertainment Corporation stock in Claimant's IRA Account.

Respondent Newbridge Securities Corporation denied the allegations of wrongdoing set forth in Claimant's Statement of Claim and asserted various affirmative defenses.

Respondent Randall Scott Humphrey did not submit an Answer to Claimant's Statement of Claim, nor did he make an appearance in this matter.

RELIEF REQUESTED

Claimant requested unspecified compensatory damages, punitive damages, and costs, including attorney's fees.

Respondent Newbridge Securities Corporation requested dismissal of Claimant's Statement of Claim in its entirety and costs.

OTHER ISSUES CONSIDERED AND DECIDED

Respondent Randall Scott Humphrey did not file with the NASD Dispute Resolution a properly executed submission agreement but is required to submit to arbitration pursuant to the NASD Code of Arbitration Procedure and is bound by the determination of the Panel on all issues submitted.

Upon review of the file and the representations made by/on behalf of the Claimant, the undersigned Panel determined that Respondent Randall Scott Humphrey 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")*.

At the hearing, Respondent Newbridge Securities Corporation moved to exclude documents in Claimant's exhibit tabs 19 through 27, and tab 30, stating that those documents could be considered a part of the parties' settlement discussions. Claimant objected. The Panel denied the motion and decided to weigh the relevance of the documents during deliberations.

At the hearing, Claimant moved to exclude all of Respondent Newbridge Securities Corporation's documents stating that the documents were not exchanged in the proper time frames. Respondent Newbridge Securities Corporation objected. The Panel denied the motion and decided only to consider objections raised by Claimant to specific documents.

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) Claimant's claims II through VII are denied in their entirety.
- 2) Respondent Newbridge Securities Corporation is liable for unauthorized trading but shall pay zero in compensatory damages to Claimant because of Claimant's failure to take reasonable actions with the multiple confirmations and account statements that he received at a time when the securities could have been sold without incurring a loss.
- 3) Respondent Newbridge Securities Corporation shall pay all forum fees and shall pay Claimant the sum of \$4,552.49 as reimbursement for his costs, including filing fees.
- 4) Respondent Randall Scott Humphrey is dismissed without prejudice.
- 5) The parties shall, except as noted above, bear their respective costs, including attorney's fees.
- 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 = \$ 250.00

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 Newbridge Securities Corporation is a party and the following fees are assessed:

Member Surcharge	= \$ 1,500.00
Pre-Hearing Process Fee	= \$ 750.00
Hearing Process Fee	= \$ 2,200.00
Total Member Fees	= \$ 4,450.00

Forum Fees and Assessments

The Panel assessed forum fees for each session conducted or each decision rendered on a discovery-related motion decided on the papers. A session is any meeting between the parties and the arbitrators, including a pre-hearing conference with the arbitrators, that lasts four (4) hours or less. Fees associated with these proceedings are:

(1) Decision on discovery-related motions on the papers
with (1) one arbitrator(s) @ \$200.00 = \$ 200.00
Respondent Newbridge Securities Corporation
submitted (1) discovery-related motion

(2) Decisions on discovery-related motions on the papers
with (3) three arbitrator(s) @ \$600.00 = \$1,200.00
Respondent Newbridge Securities Corporation
submitted (2) discovery-related motions

(1) Pre-hearing conference session with the Panel @ \$1,000.00/session = \$ 1,000.00
Pre-hearing conference: February 7, 2006 1 session

(6) Hearing sessions @ \$1,000.00/session = \$ 6,000.00
Hearings: July 25, 2006 2 sessions

July 26, 2006	2 sessions
July 27, 2006	2 sessions

Total Forum Fees	= \$ 8,400.00
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1. The Panel assessed \$8,400.00 of the forum fees to Respondent Newbridge Securities Corporation.

Fee Summary

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

Initial Filing Fee	= \$ 250.00
<u>Less payments</u>	<u>= \$(1,250.00)</u>
Refund Due	= \$(1,000.00)

2. Respondent Newbridge Securities Corporation is charged with the following fees and costs:

Member Fees	= \$ 4,450.00
<u>Forum Fees</u>	<u>= \$ 8,400.00</u>
<u>Total Fees</u>	<u>= \$12,850.00</u>
<u>Less payments</u>	<u>= \$(4,450.00)</u>
Balance Due NASD Dispute Resolution	= \$ 8,400.00

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.

ARBITRATION PANEL

Kenneth Andrew Klinko	-	Public Arbitrator, Presiding Chair
Michael D. Briggs	-	Public Arbitrator
Richard M. Leigh	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

Kenneth Andrew Klinko
Chair, Public Arbitrator

Signature Date

Michael D. Briggs
Public Arbitrator

Signature Date

Richard M. Leigh
Non-Public Arbitrator

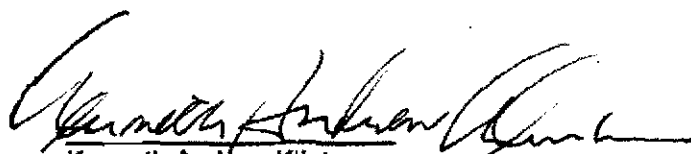
Signature Date

Date of Service
(NASD Use Only)

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Michael D. Briggs	-	Public Arbitrator
Richard M. Leigh	-	Non-Public Arbitrator

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Kenneth Andrew Klinko
Chair, Public Arbitrator

August 3, 2006
Signature Date

Michael D. Briggs
Public Arbitrator

Signature Date

Richard M. Leigh
Non-Public Arbitrator

Signature Date

8/3/06
Date of Service

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Non-Public Arbitrator

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Richard M. Leigh
Non-Public Arbitrator

8/3/06

Signature Date

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Date of Service