

AWARD
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Names of Claimants

John Filipiak and Yvonne C. Filipiak

vs.

Case Number: 05-05471

Hearing Site: Pittsburgh, Pennsylvania

Names of Respondents

Parker/Hunter Incorporated and
Charles R. Johnson

NATURE OF THE DISPUTE

Customers vs. Terminated Member and Associated Person

REPRESENTATION OF PARTIES

John Filipiak and Yvonne C. Filipiak, hereinafter collectively referred to as "Claimants," were represented by Robert M. Kramer, Esq., Pittsburgh, Pennsylvania.

Parker/Hunter Incorporated ("Parker/Hunter") and Charles R. Johnson ("Johnson"), hereinafter collectively referred to as "Respondents," were represented by Alexander W. Saksen, Esq., Buchanan Ingersoll PC, Pittsburgh, Pennsylvania.

CASE INFORMATION

The Statement of Claim was filed on or about October 26, 2005. The Submission Agreement of Claimants was jointly signed on or about October 17, 2005.

The Statement of Answer was filed jointly by Respondents on or about January 30, 2006. The Submission Agreement of Respondent Parker/Hunter was signed on or about February 1, 2006. The Submission Agreement of Respondent Johnson was signed, but undated.

CASE SUMMARY

Claimants asserted the following causes of action: violation of the Pennsylvania Unfair Trade Practices and Consumer Protection Law; violation of the Pennsylvania Securities

Act; common law fraud; negligence; agency; breach of fiduciary duty; and breach of contract. The causes of action related to the recommendation and purchase of internet and communications stocks and mutual funds, which held concentrated positions in internet, telecommunications and other "tech" stocks. As alleged in the claim, Respondent Johnson persuaded Claimants to transfer their retirement accounts to Parker/Hunter and then took complete defacto control of the accounts. Claimants further alleged that Respondents purchased stocks and mutual funds for the account which were clearly unsuitable.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted affirmative defenses including the following: the Statement of Claim failed to state a claim against Respondents upon which relief can be granted; the claims are barred in whole or in part by the equitable doctrines of waiver, estoppel, and laches; the claims are barred in whole or in part by the applicable statutes of limitations; the Claimants do not have a proper cause of action under any NASD rules or any other exchange rules; assuming Claimants suffered any damages attributable to the acts of Respondents, which Respondents deny, the Claimants failed to mitigate those damages; Respondents did not act with scienter, recklessness, or any improper intent; any losses sustained by Claimants were caused by market forces beyond the control and responsibility of Respondents and/or were the direct and proximate result of Claimants' intervening negligence; Respondents did not make any representations or omissions of material facts nor did they engage in conduct inconsistent with any applicable federal or state securities laws; if Claimants have suffered any damages, those damages were caused by individuals or entities other than Respondents; as a matter of law, the damages sought by Claimants are too speculative to be awarded; Claimants, by their conduct, approved, authorized, and/or ratified Respondents' actions; Claimants failed to use required due diligence in monitoring their account; and Claimants assumed the risk of their trading decisions.

RELIEF REQUESTED

Claimants requested an award in the amount of:

Actual/Compensatory Damages	\$76,533.98
Interest	Unspecified
Attorneys' Fees	Unspecified
Other Costs	Unspecified

Respondents requested that the claims asserted against them be denied in their entirety, that they be awarded their costs and attorneys' fees, and that the Panel recommend the expungement of all references to this dispute from Charles R. Johnson's records maintained by the NASD Central Registration Depository ("CRD").

OTHER ISSUES CONSIDERED & DECIDED

The parties have 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, the testimony, and the evidence presented at the hearing, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

- 1.) Claimants' claims, each and all, are hereby denied and dismissed with prejudice;
- 2.) Other than Forum Fees which are specified below, the parties shall each bear their own costs and expenses incurred in this matter; and
- 3.) Any relief not specifically enumerated, including expungement of Respondent Johnson's CRD record and attorneys' fees, is hereby denied with prejudice.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution will retain the non-refundable filing fee for each claim:

Initial Claim filing fee = \$ 225.00

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. In this matter, the member firm is Parker/Hunter Incorporated.

Member surcharge = \$ 1,100.00
Pre-hearing process fee = \$ 750.00
Hearing process fee = \$ 1,700.00

Adjournment Fees

Adjournments granted during these proceedings:

December 18, 2006, adjournment requested by Claimants = \$ 750.00

Forum Fees and Assessments

The Panel has assessed forum fees for each hearing session conducted or each decision rendered on a discovery-related motion 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:

One (1) Pre-hearing session with Panel x \$750.00 = \$ 750.00
Pre-hearing conference: May 1, 2006 1 session

Six (6) Hearing sessions x \$750.00 = \$ 4,500.00

Hearing Dates: October 24, 2006 2 sessions
October 25, 2006 2 sessions
January 5, 2007 2 sessions

Total Forum Fees = \$ 5,250.00

The Panel has assessed \$5,250.00 of the forum fees to Parker/Hunter Incorporated.

FEE SUMMARY

Claimants, John Filipiak and Yvonne C. Filipiak, are jointly and severally liable for:

Initial Filing Fee	= \$ 225.00
Adjournment Fee	= \$ 750.00
Total Fees	= \$ 975.00
Less payments	= \$ 975.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondent, Parker/Hunter Incorporated, is liable for:

Member Fees	= \$ 3,550.00
Forum Fees	= \$ 5,250.00
Total Fees	= \$ 8,800.00
Less payments	= \$ 3,550.00
Balance Due NASD Dispute Resolution	= \$ 5,250.00

All balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

Mark K. Gubinsky, Esq. - Public Arbitrator, Presiding Chair
Todd B. Johnson, Esq. - Public Arbitrator
Ralph L. Corton, Jr., CFA - Non-Public Arbitrator

Concurring Arbitrators' Signatures:

Mark K. Gubinsky, Esq.
Public Arbitrator, Presiding Chair

Signature Date

Todd B. Johnson, Esq.
Public Arbitrator

Signature Date

Ralph L. Corton, Jr., CFA
Non-Public Arbitrator

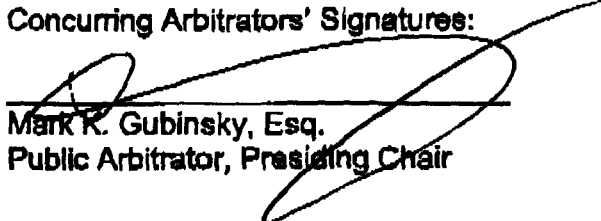
Signature Date

Date of Service (For NASD office use only)

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Mark K. Gubinsky, Esq.
Public Arbitrator, Presiding Chair

11/18/07

Signature Date

Todd B. Johnson, Esq.
Public Arbitrator

Signature Date

Ralph L. Corton, Jr., CFA
Non-Public Arbitrator

Signature Date

11/19/07 RLC

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Public Arbitrator



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Non-Public Arbitrator

Signature Date



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