

Award
NASD Regulation, Inc.

In the Matter of the Arbitration Between:

Richard N. Yeats, Claimant v. Waterhouse Securities, Inc., Respondent

Case Number: 99-00865

Hearing Site: Los Angeles, California

REPRESENTATION OF PARTIES

For Claimants:

Paul W. Thomas, Esq.
Paul W. Thomas
& Associates
Carlsbad, California

For Respondents:

Michael J. Abbott, Esq.
Catherine L. Dellecker.
Jones, Bell, Abbott,
Fleming & Fitzgerald
Los Angeles, California

CASE INFORMATION

Statement of Claim filed: February 23, 1999

Claimant's Uniform Submission Agreement signed: March 30, 1999

Statement of Answer filed by Respondent: June 2, 1999

Respondent's Uniform Submission Agreement signed: June 2, 1999

CASE SUMMARY

Claimant alleged negligent or fraudulent order execution, breach of fiduciary duty, violations of industry standards and practices, and violations of the rules of the National Association of Securities Dealers and the New York Stock Exchange.

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

RELIEF REQUESTED

Claimant requested compensatory damages of not less than \$50,000.00 and not more than \$100,000.00. Claimant also requested pre-judgment interest, costs, and attorney's fees.

Respondent requested dismissal of the Claimants' Statement of Claim in its entirety and costs.

OTHER ISSUES CONSIDERED AND 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) Claimant's Claims are denied in their entirety.
- 2) Each party shall bear its own costs, including attorney's fees.
- 3) All other relief not expressly granted is denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Regulation, Inc. has received or will collect the non-refundable filing fees for each claim as follows:

Initial claim filing fee	= \$ 150.00
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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 event of the dispute. Accordingly, the member firm Waterhouse Securities, Inc. is a party and the following fees are assessed:

Member Surcharge	= \$1,000.00
Pre-Hearing Process Fee	= \$ 600.00
Hearing Process Fee	= \$1,500.00
Total Member Fees	= \$3,100.00

Forum Fees and Assessments

The Panel 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 Panel. The following fees are assessed:

(1) Pre-hearing conference session with the Chair @ \$300.00/session	= \$300.00
Pre-hearing conference: February 1, 2000 1 session	
(1) Pre-hearing conference sessions with the Panel @ \$500.00/session	= \$500.00
Pre-hearing conference: September 28, 1999 1 session	
(5) Hearing sessions @ \$500.00/session	= \$2,500.00
Hearings: March 6, 2000 2 sessions	
March 7, 2000 1 sessions	
April 5, 2000 2 sessions	
Total Forum Fees	= \$ 3,300.00

The Arbitration Panel has assessed \$ 3,300.00 of the forum fees to Claimant Richard N. Yeats.

Administrative Costs

Administrative costs are expenses incurred because a party requested additional services beyond the normal administrative services. These additional services include, but are not limited to, additional copies of arbitrator awards, copies of audio transcripts, retrieval of documents from archives, interpreters, and security.

Respondent Waterhouse Securities, Inc. requested two (2) previous awards @ \$5.00/award :	= \$ 10.00
Respondent Waterhouse Securities, Inc. requested ten (10) photocopies @ \$1.00/page:	= \$ 10.00
Respondent Waterhouse Securities, Inc. requested copies of four (4) audio tapes @ \$15.00/tape:	= \$ 60.00
Claimant Richard N. Yeats requested six (6) photocopies @ \$1.00/page:	= \$ 6.00

Fee Summary

1. Claimant, Richard N. Yeats, is charged with the following fees and costs:

Initial Filing Fee	= \$ 150.00
Forum Fees	= \$ 3,300.00
<u>Administrative Costs</u>	= \$ 6.00
Total Fees	= \$ 3,456.00
<u>Less payments</u>	= \$ (650.00)
Balance Due NASD Regulation, Inc.	= \$ 2,806.00

2. Respondent Waterhouse Securities, Inc. is charged with the following fees and costs:

Member Fees	= \$ 3,100.00
<u>Administrative Costs</u>	= \$ 80.00
Total Fees	= \$ 3,180.00
<u>Less payments</u>	= \$(3,170.00)
Balance Due NASD Regulation, Inc.	= \$ 10.00

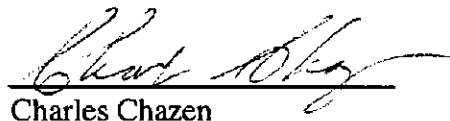
All balances are payable to NASD Regulation, Inc. and are due within 30 days of the award's date of service.

Concurring Arbitrators' Signatures



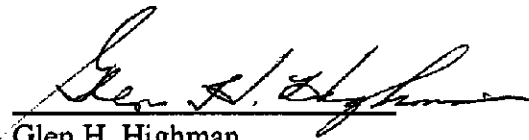
Charles L. Repp, Jr.
Chair, Public Arbitrator

4/5/00
Signature Date



Charles Chazen
Public Arbitrator

4/5/00
Signature Date



Glen H. Highman
Non-Public Arbitrator

APRIL 5, 2000
Signature Date

April 5, 2000
Date of Service