

**Award
NASD Regulation, Inc.**

In the Matter of the Arbitration Between:

Steven A. Johnson, Claimant vs. Prudential Securities Incorporated and Timothy Redpath, Respondents.

Case Number: 99-00882

Hearing Site: Seattle, Washington

REPRESENTATION OF PARTIES

Claimant, Steven A. Johnson, hereinafter referred to as "Claimant": Steven A. Johnson, Tacoma, Washington

Respondents, Prudential Securities Incorporated ("PSI") and Timothy Redpath ("Redpath"), hereinafter collectively referred to as "Respondents": William M. Cassarini, Esq., Prudential Securities Incorporated, New York, New York

CASE INFORMATION

Statement of Claim filed on or about: March 1, 1999

Claimant, Steven A. Johnson, signed the Uniform Submission Agreement: February 24, 1999

Respondents' Joint Statement of Answer filed on or about: August 13, 1999

Respondent, PSI, signed the Uniform Submission Agreement: August 13, 1999

CASE SUMMARY

Claimant alleged that Respondents made unauthorized trades in his account and further alleged unsuitability with respect to investments in various securities.

Respondents denied Claimant's allegations and asserted the following affirmative defenses: Claimant has failed to state a claim upon which relief can be granted; Claimant's claims against Respondents are without merit in that Claimant authorized all transactions in the account; Claimant's claims are barred by the doctrine of waiver; Claimant ratified the transactions of which he now complains; Respondents acted reasonably and in good faith at all times and hence are not liable; Claimant has failed to mitigate and/or minimize any alleged losses and is therefore barred from recovery from Respondents; and if Respondents are ultimately found liable to the Claimant, such liability will have been caused, in whole or in part, by the primary, active affirmative negligence, carelessness, assumption of risks, and/or culpable conduct of the Claimant.

RELIEF REQUESTED

Claimant requested damages in the amount of \$24,495.00.

Respondents requested that the Statement of Claim be dismissed in its entirety and that judgment be rendered in favor of Respondents.

OTHER ISSUES CONSIDERED AND DECIDED

Respondent Redpath did not file with the NASD Regulation, Inc. Office of Dispute Resolution a properly executed submission to arbitration but is required to submit to arbitration pursuant to the NASD Code of Arbitration Procedure (the "Code") and, having answered the claim, appeared and testified at the hearing, is bound by the determination of the Panel on all issues submitted.

AWARD

After considering the pleadings, the testimony and evidence presented at the hearing, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. All claims by Claimant are dismissed.
2. The parties shall each bear their respective costs including any attorney's fees.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Regulation, Inc. will retain or collect the non-refundable filing fees for each claim:

Initial claim filing fee	= \$75.00
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Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firm(s) that employed the associated person(s) at the time of the event(s) giving rise to the dispute. In this matter, the member firm is a party.

Member surcharge	= \$400.00
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Forum Fees and Assessments

The Panel assesses forum fees for each hearing session conducted. A hearing session is any meeting between the parties and the arbitrator(s), including a pre-hearing conference with the arbitrator(s), that lasts four (4) hours or less. Fees associated with these proceedings are:

One (1) Pre-hearing session with Panel x \$300.00 = \$300.00
Pre-hearing conference: August 9, 1999 1 session

One (1) Hearing session x \$300.00 = \$300.00
Hearing Date: October 12, 1999 1 session

Total Forum Fees = \$600.00

1. The Panel has assessed \$300.00 of the forum fees to Claimant.
2. The Panel has assessed \$300.00 of the forum fees to Respondent PSI.

Administrative Costs

Administrative costs are expenses incurred due to a request by a party for special services including, but not limited to, additional copies of arbitrator awards beyond those provided without charge, copies of audio transcripts, retrieval of documents from archives, interpreters, and security. The parties did not incur administrative costs.

Fee Summary

1. Claimant, be and hereby is solely liable for:

Initial Filing Fee	= \$ 75.00
Member Fees	= \$ 0.00
Adjournment Fee	= \$ 0.00
Forum Fees	= \$300.00
<u>Administrative Costs</u>	<u>= \$ 0.00</u>
Total Fees	= \$375.00
<u>Less payments</u>	<u>= \$400.00</u>
Balance Due NASD Regulation, Inc.	= \$ 0.00

2. Respondent, PSI, be and hereby is solely liable for:

Filing Fee	= \$ 0.00
Member Fees	= \$400.00
Adjournment Fee	= \$ 0.00
Forum Fees	= \$300.00

NASD Regulation, Inc. Office of Dispute Resolution

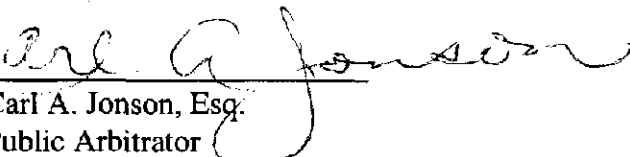
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<u>Administrative Costs</u>	= \$ 0.00
Total Fees	= \$700.00
<u>Less payments</u>	= \$400.00
Balance Due NASD Regulation, Inc.	= \$300.00

All balances are due to NASD Regulation, Inc. and are payable within 30 days of the service date of this Award.

Presiding Arbitrator's Signature


Carl A. Jonson, Esq.
Public Arbitrator

Oct 19, 1999
Signature Date

Date of Service (For NASD office use only)

Date Served:
OCT 27 1999