

**Award**  
**NASD Regulation, Inc.**

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In the Matter of the Arbitration Between:  
Randall C. Reading, Claimant v. E\*Trade, Inc., Respondent

Case Number: 99-02523

Hearing Site: Los Angeles, California

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**REPRESENTATION OF PARTIES**

For Claimant Randall C. Reading:

Randall C. Reading  
In Pro Per  
Redlands, California

For Respondent E\*Trade, Inc.:

Thomas V. Reichert, Esq.  
Bird, Marella, Boxer & Wolpert  
Los Angeles, California

**CASE INFORMATION**

Statement of Claim filed: May 22, 1999

Claimant's Uniform Submission Agreement: received on or about June 1, 1999

Statement of Answer filed by Respondent: August 30, 1999

Respondent's Uniform Submission Agreement signed: May 17, 2000

**CASE SUMMARY**

Claimant alleged breach of fiduciary duty and misrepresentation in connection with the purchase of 700 shares Perot Systems Corp.

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

**RELIEF REQUESTED**

Claimant requested \$29,925.00 in compensatory damages.

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

### **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, testimony and evidence presented at the hearing, the Panel decided in full and final resolution of the issues submitted for determination as follows:

- 1) Respondent E\*Trade, Inc. is liable to and shall pay Claimant the sum of \$4,900.00 in compensatory damages.
- 2) Each party shall bear its own costs, including attorney's fees.
- 3) All other relief not specifically 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 E\*Trade, Inc. and the following fees are assessed:

Member Surcharge	= \$ 600.00
Pre-Hearing Process Fee	= \$ 600.00
<u>Hearing Process Fee</u>	<u>= \$1,000.00</u>
Total Member Fees	= \$2,200.00

**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 Chair/Panel. The following fees are assessed:

(1) Pre-hearing conference session with the Panel @ \$600.00/session	= \$ 600.00
Pre-hearing conference: February 18, 2000 1 session	
(2) Hearing sessions @ \$600.00/session	= \$1,200.00
Hearings: June 7, 2000 2 sessions	
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Total Forum Fees	= \$ 1,800.00

1. The Arbitration Panel has assessed \$900.00 of the forum fees to Randall C. Reading.
2. The Arbitration Panel has assessed \$900.00 of the forum fees to E\*Trade, Inc.

**Fee Summary**

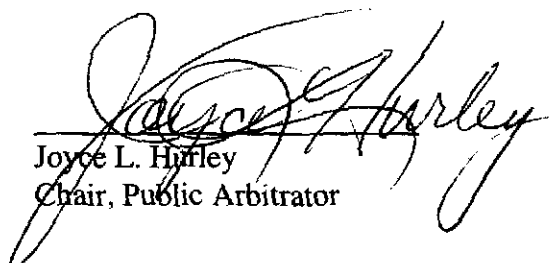
1. Claimant Randall C. Reading is charged with the following fees and costs:

Initial Filing Fee	= \$ 150.00
<u>Forum Fees</u>	= \$ 900.00
Total Fees	= \$1,050.00
<u>Less payments</u>	= \$ (750.00)
Balance Due NASD Regulation, Inc.	= \$ 300.00
2. Respondent E\*Trade, Inc. is charged with the following fees and costs:

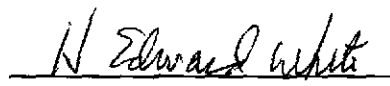
Member Fees	= \$ 2,200.00
<u>Forum Fees</u>	= \$ 900.00
Total Fees	= \$ 3,100.00
<u>Less payments</u>	= \$(1,200.00)
Balance Due NASD Regulation, Inc.	= \$ 1,900.00

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

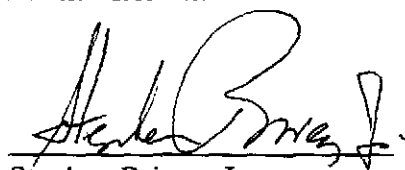
Concurring Arbitrators' Signatures

  
Joyce L. Hurley  
Chair, Public Arbitrator

6/7/2000  
Signature Date

  
H. Edward White  
Public Arbitrator

6/7/2000  
Signature Date

  
Stephen Brixey, Jr.  
Non-Public Arbitrator

6/7/2000  
Signature Date

June 7, 2000  
Date of Service