

Award
NASD Regulation, Inc.

In the Matter of the Arbitration Between:

Todd Rexrode, (Claimant) vs. GRO Corporation, (Respondent).

Case Number: 99-02968

Hearing Site: Houston, Texas

REPRESENTATION OF PARTIES

Claimant, Todd Rexrode ("Rexrode"), hereinafter referred to as "Claimant": pro se, Houston, Texas.

Respondent, GRO Corporation, hereinafter referred to as "Respondent": Robert P. Ross, GRO Corporation, Houston, Texas.

CASE INFORMATION

Statement of Claim filed on or about: June 29, 1999

Claimant signed the Uniform Submission Agreement: June 29, 1999

Statement of Answer filed by Respondent on or about: October 14, 1999

Respondent signed the Uniform Submission Agreement: October 11, 1999

CASE SUMMARY

Claimant submitted the following case summary:

I have taken action versus GRO Corporation for the following reason: I believe my account was handled in a neglectful, fraudulent manner that requires further accountability. GRO Corporation portrayed themselves to be a professional, ethical brokerage firm when in fact, the exact opposite appears to be the case. The particular transaction in question—the liquidation of three securities due to margin requirements—is just the conclusion of a sad and disastrous relationship. GRO Corporation would have you believe that this is a simple case involving a black and white rule, but it goes much further than that. GRO Corporation was grossly negligent with my account, almost from the beginning, and

was constantly making statements that were misleading, disruptive and untrue. It is these circumstances that have led me to take action.

I am requesting a cash payment as compensation for these three specific securities that were erroneously sold. The exact amount is dependent on the latest value of these three securities. As of April 28, 2000 that amount was \$2,481.14. This amount plus any non-refundable NASD fees is the only amount I am requesting.

Respondent did not file a case summary. In the Answer, Respondent denied the allegations made in the Statement of Claim and asserted the following defenses: Claimant failed to maintain sufficient equity in his account to avoid a margin sell-out.

RELIEF REQUESTED

In the Statement of Claim, Claimant requested:

Compensatory Damages	between \$5,000 and \$10,000
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Respondent requested:

Dismissal of Claim	
Costs	unspecified
Attorneys' Fees	unspecified

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

1. The Statement of Claim filed by Todd Rexrode is denied in its entirety; and
2. Any and all relief not specifically addressed herein is denied.

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

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(s) is GRO Corporation.

Member surcharge = \$300

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 a single arbitrator x \$250 = \$250
Pre-hearing conference: March 20, 2000 1 session

One (1) Hearing session with a single arbitrator x \$250 = \$250
Hearing: May 17, 2000 1 session

Total Forum Fees = \$500

1. The Arbitrator has assessed \$500 the forum fees to Todd Rexrode.

Fee Summary

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

Initial Filing Fee = \$75
Forum Fees = \$500

Total Fees = \$575
Less payments = \$325
Balance Due NASD Regulation, Inc. = \$250

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

Member Fees = \$300

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