

Award
NASD Dispute Resolution, Inc.

In the Matter of the Arbitration Between:

Alan Shen, Claimant v. E*Trade Securities, Inc., Respondent

Case Number: 99-03341

Hearing Site: Los Angeles, California

REPRESENTATION OF PARTIES

For Claimant:

Jeffrey Dennis Ferentz, Esq.
Greenbaum & Ferentz LLP
Newport Beach, California

For Respondent:

Stephen G. Frye, Esq.
Mark T. Dooks, Esq.
Bird, Marella, Boxer & Wolpert
Los Angeles, California

CASE INFORMATION

Statement of Claim filed: August 16, 1999

Claimant's Uniform Submission Agreement signed: October 4, 2000

Statement of Answer filed by Respondent: September 26, 2000

Respondent's Uniform Submission Agreement filed: November 22, 1999

CASE SUMMARY

Claimant alleged breach of fiduciary duty, fraud, and negligence. At the hearing, Claimant sought to include the following additional allegations: breach of contract, lack of supervision, and suitability.

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

RELIEF REQUESTED

Claimant originally requested \$97,000.00 in compensatory damages and also sought punitive damages, pre-award and post-award interest, costs of arbitration, including attorney's fees, and expert witness fees. At the hearing, Claimant sought to increase the amount of compensatory damages to \$123,895.00.

Respondent requested dismissal of the Claimant's Statement of Claim in its entirety and sought an award of costs and attorney's fees.

OTHER ISSUES CONSIDERED AND DECIDED

The parties agreed that the Award in this matter may be executed in counterpart copies or that a handwritten, signed Award may be entered.

During the hearing, the Claimant sought to include additional allegations and increase the amount of compensatory damages sought.

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) Claimant's claims are denied in their entirety.
- 2) Claimant's request for punitive damages is denied.
- 3) Each party shall bear its own costs, including attorney's fees.
- 4) All other relief not expressly granted is denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

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

Initial claim filing fee	= \$ 225.00
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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 Securities, Inc. is a party and the following fees are assessed:

Member Surcharge	= \$ 1,000.00
Pre-Hearing Process Fee	= \$ 600.00
<u>Hearing Process Fee</u>	<u>= \$ 1,500.00</u>
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 Panel @ \$ 750.00/session	= \$ 750.00
Pre-hearing conference: May 22, 2000	1 session
(4) Hearing sessions @ \$ 750.00/session	= \$ 3,000.00
Hearings: October 4, 2000	2 sessions
October 5, 2000	2 sessions

Total Forum Fees	= \$ 3,750.00
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1. The Panel assessed \$ 1,875.00 of the forum fees to Claimant Alan Shen.
2. The Panel assessed \$ 1,875.00 of the forum fees to Respondent E*Trade Securities, Inc.

Fee Summary

1. Claimant Alan Shen is charged with the following fees and costs:

Initial Filing Fee	= \$ 225.00
Forum Fees	= \$ 1,875.00
Total Fees	= \$ 2,100.00
Less Payments	= \$ (975.00)
Balance Due NASD Dispute Resolution, Inc.	= \$ 1,125.00


2. Respondent E*Trade Securities, Inc. is charged with the following fees and costs:

Member Fees	= \$ 3,100.00
Forum Fees	= \$ 1,875.00
Total Fees	= \$ 4,975.00
Less Payments	= \$(3,100.00)
Balance Due NASD Dispute Resolution, Inc.	= \$ 1,875.00

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

NASD Dispute Resolution, Inc.
Arbitration No. 99-03341
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Concurring Arbitrators' Signatures


Elizabeth A. Copley, Esq.
Chair, Public Arbitrator

10/11/00
Signature Date

Gerald F. Corrigan
Public Arbitrator

Signature Date

Luther Delano Prater
Non-Public Arbitrator

Signature Date

10-16-00
Date of Service

Concurring Arbitrators' Signatures

Elizabeth A. Copley, Esq.
Chair, Public Arbitrator

Signature Date


Gerald F. Corrigan
Public Arbitrator


Signature Date

Luther Delano Prater
Non-Public Arbitrator

Signature Date

Date of Service

Concurring Arbitrators' Signatures

Elizabeth A. Copley, Esq.
Chair, Public Arbitrator

Signature Date

Gerald F. Corrigan
Public Arbitrator

Signature Date

Luther Delano Prater
Luther Delano Prater
Non-Public Arbitrator

10/12/00
Signature Date

Date of Service