

Award
NASD Dispute Resolution, Inc.

In the Matter of the Arbitration Between

Names of Claimants

Jerome Alfred Serwas and
Anna Jacquette Serwas

Case No. 99-04720

Name of Respondent

Ameritrade, Inc.

REPRESENTATION OF PARTIES

For Jerome Alfred Serwas and Anna Jacquette Serwas, hereinafter referred to as "Claimants":
Stephen D. Spivey, Esq., Ocala, FL.

For Ameritrade, Inc. ("Ameritrade"), hereinafter referred to as "Respondent": James J.
Vihstadt, Regulatory Attorney, Ameritrade, Inc., Bellevue, NE.

CASE INFORMATION

Statement of Claim filed on or about: October 19, 1999.

Claimants signed the Uniform Submission Agreement: October 4, 1999.

Answer to Statement of Claim filed by Ameritrade on or about: December 28, 1999.

Ameritrade signed the Uniform Submission Agreement: December 10, 1999.

CASE SUMMARY

Claimants alleged the following causes of action: violations of the Florida Securities Investor Protection Act; violations of the Securities Act of 1934; violations of the Securities Exchange Act of 1933; violations of NASD rules; violations of state and federal law; negligence; and, breach of contract. The causes of action relate to the purchase of shares in Claimants' account of The Globe.Com, Inc. ("TGLO") and the unauthorized liquidation of other securities in Claimants' accounts.

Unless specifically admitted in its Answer, Ameritrade denied the allegations made in the Statement of Claim and asserted the following defenses: Ameritrade should not be liable for losses which Claimants caused themselves or could have avoided with reasonable care; Ameritrade does not solicit orders, make discretionary investments on behalf of its customers, nor does it provide customers with advice about securities; Claimants placed market orders to purchase the desired securities, and market orders execute at the best available price once trading for that security has opened; Ameritrade properly processed the

Claimants' orders and routed them to the market for execution; Ameritrade simply followed the Claimants' explicit directives; and, Ameritrade had the legal right to liquidate the securities in the Claimants' account when it became apparent that their decision to purchase shares of TGLO, at a price not known at the time, had placed their accounts in jeopardy.

RELIEF REQUESTED

Claimants requested compensatory damages related to the sale of the TGLO stock of approximately \$100,000.00 plus interest, lost profits from the forced sale of the other securities in the account, reasonable attorneys' fees, and costs.

Ameritrade requested that the Statement of Claim be dismissed, and that costs be assessed to the Claimants.

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 Panel has decided in full and final resolution of the issues submitted for determination as follows:

Ameritrade is liable and shall pay to Claimants compensatory damages in the sum of \$46,000.00, pre-judgment interest specifically excluded.

All other requests for relief not specifically addressed herein are denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

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

Initial claim filing fee	= \$ 225.00
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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, Ameritrade, is a party.

Member surcharge	= \$1,000.00
Pre-hearing process fee	= \$ 600.00

Hearing process fee = \$1,500.00

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 \$750.00 = \$ 750.00
Pre-hearing conference: May 25, 2000 1 session

Two (2) Hearing sessions x \$750.00 = \$1,500.00
Hearing Date: September 14, 2000 2 sessions

Total Forum Fees = \$2,250.00

The Panel has assessed \$1,125.00 of the forum fees to Claimant.

The Panel has assessed \$1,125.00 of the forum fees to Respondent Ameritrade.

Fee Summary

Claimants be and hereby are jointly and severally liable for:

Initial Filing Fee	= \$ 225.00
<u>Forum Fees</u>	= <u>\$1,125.00</u>
Total Fees	= \$1,350.00
<u>Less payments</u>	= <u>\$ 975.00</u>
Balance Due NASD Dispute Resolution, Inc.	= \$ 375.00

Respondent Ameritrade be and hereby is solely liable for:

Member Fees	= \$3,100.00
<u>Forum Fees</u>	= <u>\$1,125.00</u>
Total Fees	= \$4,225.00
<u>Less payments</u>	= <u>\$3,100.00</u>
Balance Due NASD Dispute Resolution, Inc.	= \$1,125.00

All balances are due and payable to NASD Dispute Resolution, Inc.

Concurring Arbitrators' Signatures

/s/

Jon J. Johnson, Esq.
Public Arbitrator, Presiding Chair

Signature Date

/s/

Paul E. Merritt
Public Arbitrator

Signature Date

/s/

Clyde E. Renfroe, Jr.
Industry Arbitrator

Signature Date

October 23, 2000
Date of Service (For NASD-DR office use only)

OCT 20 1999 4:18 PM
Approved For: 99-04720
Approved: [Signature]

(99-04720)

10/20/00 P. 5/5

General Insurance Arbitration Statement

[Signature]

John J. Johnson, Esq.
Public Arbitrator, Presiding Chair

10/20/00
Signature Date

Paul H. Morris
Public Arbitrator

Signature Date

Clyde E. Benfite, Jr.
Industry Arbitrator

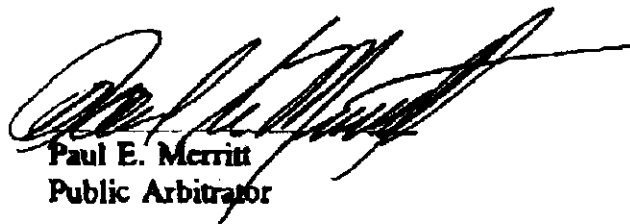
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Public Arbitrator, Presiding Chair

Signature Date


Paul E. Merritt
Public Arbitrator

10/20/00
Signature Date

Clyde E. Renfroe, Jr.
Industry Arbitrator

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Public Arbitrator, Presiding Chair

Signature Date

Paul E. Merritt
Public Arbitrator

Signature Date

Clyde E. Renfro, Jr.
Clyde E. Renfro, Jr.
Industry Arbitrator

10/24/00
Signature Date

Date of Service (For NASD-DR office use only)