

Award

NASD Dispute Resolution, Inc.

In the Matter of the Arbitration Between:

David Irving, Claimant, vs. *Melvin Securities, LLC*, and *David Kenneth*, Respondents.

Case Number: 01-00808

Hearing Site: Chicago, IL

REPRESENTATION OF PARTIES

Claimant, *David Irving* ("*Irving*"), sometimes referred to as "Claimant": Leslie A. Blau, Esq., Blau & Bonavich, 140 South Dearborn, Suite 1610, Chicago, IL 60603-5202 and James R. Latta, Esq., 140 South Dearborn, Suite 1610, Chicago, IL 60603-5202.

Respondents, *Melvin Securities, LLC* ("*Melvin Securities*") and *David Kenneth* ("*Kenneth*") sometimes collectively referred to as "Respondents": Michael Wise, Esq., Lawrence, Kamin, Saunders & Uhlenhop, 208 South LaSalle Street, Suite 1750, Chicago, IL 60604-1188.

CASE INFORMATION

Amended Statement of Claim filed on or about: May 1, 2001

Claimant signed the Uniform Submission Agreement: February 15, 2001.

Respondent Melvin Securities signed the Uniform Submission Agreement on April 10, 2001; Respondent Kenneth signed the Uniform Submission Agreement on April 11, 2001.

A Statement of Answer to Amended Statement of Claim and a Motion to Dismiss were both filed by Respondents on: May 14, 2001.

Claimant cross-moved for Summary Disposition on May 23, 2001.

The Panelists in this matter were appointed in September of 2001, after which the Panel denied both Claimant's motion for summary disposition, and Respondents' motion to dismiss.

CASE SUMMARY

Claimant David Irving once worked for Melvin Securities, a registered broker-dealer. When his employment terminated there, Melvin Securities filed a U-5 form with the Central Registration Depository ("CRD") which reflected that he was terminated for insubordination and lack of production.

Subsequently, Claimant and Melvin Securities signed a Confidential Settlement Agreement and Release, which provided in part:

2. Filing. [Melvin Securities] shall cause to be filed with the Central Registration Depository of the National Association of Securities Dealers a notification with respect to [Irving's] Form U-5, in form and substance substantially similar to Attachment A hereto.

The Attachment A was a letter intended to amend Irving's Form U-5. It stated in part, "we indicated that the reason for his [Irving's] termination was a discharge due to insubordination and lack of production. Upon further review, the appropriate reason is that the employee resigned." The CRD did not accept the amended U-5 form for filing, and the CRD and NASD records currently still reflect that Irving was terminated by Melvin Securities for insubordination and lack of production.

RELIEF REQUESTED BY IRVING

Irving's Amended Statement of Claim in this case seeks an Order of this Arbitration Panel directing the NASD and the CRD to correct Irving's U-5 form. He does not request monetary damages of any kind (including interest or attorneys' fees). To the extent his request in his Amended Statement of Claim for "such other and further relief" might be considered a request for monetary damages of any kind (including interest or attorneys' fees), his attorneys have advised this Panel that such request is withdrawn. Respondents' attorneys have likewise advised this Panel that any request on behalf of either or both Respondent[s] for monetary damages of any kind (including interest or attorneys' fees) is withdrawn.

OTHER ISSUES CONSIDERED AND DECIDED

The undersigned Panel has reviewed a Settlement Agreement and Mutual Release signed by the parties around June 28, 2002, and further has confirmed with the parties' counsel that the Award in this matter may be executed in counterpart copies.

AWARD

After considering the pleadings in this case, and the Settlement Agreement and Mutual Release signed by the parties around June 28, 2002, a copy of which is attached hereto, the Panel has decided in full and final resolution of the issues submitted for determination that the NASD and the CRD are hereby ORDERED to correct Irving's form U-5 form filed by Melvin Securities, LLC, as follows:

The "Reason for Termination" previously set out the Form U-5 filed by Melvin Securities, LLC, should now read that the reason for Irving's termination from Melvin Securities, LLC, was "VOLUNTARY."

Any and all relief not specifically addressed herein, including monetary damages or attorney's fees or costs claimed by either party, is denied. Each party shall bear their own costs and attorney's fees. As to fees of NASD Dispute Resolution, Inc., the Panel decides as set out in the following section.

FEES OF NASD DISPUTE RESOLUTION, INC.

Pursuant to the NASD Code of Arbitration, the following fees are assessed:

Filing Fees

NASD Dispute Resolution, Inc. will retain the non-refundable filing fees for each claim or counterclaim filed in this matter, which has already been paid:

Initial claim filing fee (already paid by Irving)	= \$150
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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 firms that employed the associated person at the time of the event(s) giving rise to the dispute. In this matter, the member firm, Melvin Securities, is both a party and a former employer, and NASD Dispute Resolution, Inc shall retain the following fees, already paid by Melvin Securities.

Member surcharge	= \$600
Pre-hearing process fee	= \$600
Hearing process fee	= \$1,000

Adjournment Fees

Pursuant to decision of the Panel, no adjournment fees shall be assessed in this matter against any party.

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 arbitrators, including a pre-hearing conference with the arbitrators, that lasts four (4) hours or less. Fees associated with these proceedings are:

Two Pre-hearing session with entire Panel (\$600 each) = \$1,200

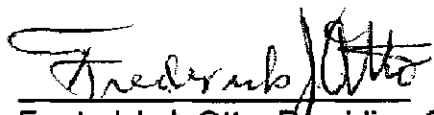
1. The costs of this session (exclusive of member firm surcharges and fees) shall be assessed 50% against Claimant and 50% against Respondents.

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. There were no administrative costs incurred in this case.

All unpaid balances if any are due to NASD Dispute Resolution, Inc.

Concurring Arbitrators' Signature(s)



Frederick J. Otto, Presiding Chair

9/19/02
Signature Date

Frank Samuelsohn, Arbitrator

Signature Date

James F. McGrath, Arbitrator

Signature Date

Date of Service (For NASD office use only)

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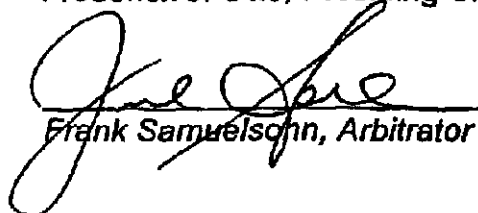
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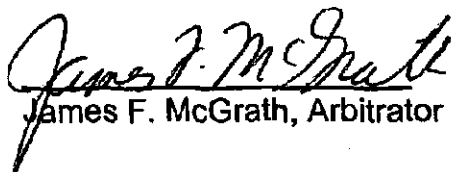
Concurring Arbitrators' Signature(s)

Frederick J. Otto, Presiding Chair

Signature Date

Frank Samuelsohn, Arbitrator

Signature Date


James F. McGrath, Arbitrator

9-17-02
Signature Date

9-25-02
Date of Service (For NASD office use only)