

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Name of the Claimant

Case Number: 01-00994

John C. Hegnes

Name of the Respondent

Hearing Site: Pittsburgh, Pennsylvania

Dreyfus Investment Services Corporation

REPRESENTATION OF PARTIES

Claimant John C. Hegnes, hereinafter referred to as "Claimant" was represented by Thomas J. Schuchert, Esq., The Bregman Law Firm, Albuquerque, New Mexico.

Respondent Dreyfus Investment Services Corporation, hereinafter referred to as "Respondent" was represented by Timothy G. McDermott, Esq., Gardner, Carton & Douglas, Chicago, Illinois.

CASE INFORMATION

Statement of Claim filed on or about February 27, 2001.

Claimant signed the Uniform Submission Agreement on February 5, 2001.

Statement of Answer filed by Respondent on April 25, 2001.

Respondent's Uniform Submission Agreement was executed on March 30, 2001.

CASE SUMMARY

Claimant asserted the following causes of action: negligent or fraudulent misrepresentation; negligence; and, violation of Pennsylvania Consumer Protection Law. The causes of action relate to the purchase and sale of NeoRx Corporation stocks.

Unless specifically admitted in its Answer, Respondent denied the allegations made in the Statement of Claim and asserted the following defenses: any losses are due to circumstances beyond Respondent's control; any losses are due to Claimant's mistake; any losses are due to Claimant's ignorance or misunderstanding of the terms of his purchase; lack of proximate cause; failure to state a claim upon which relief may be granted; assumption of risk; Claimant approved, authorized, ratified, and/or acquiesced to all trades; contributory or comparative negligence; and, Respondent's actions were in compliance with industry standards.

RELIEF REQUESTED

Claimant in his Statement of Claim requested:

Compensatory Damages	\$ 300,000.00
Treble Damages	\$ 900,000.00
Punitive Damages	unspecified amount
Interest	unspecified amount
Attorneys' Fees	unspecified amount
Other Costs	unspecified amount

Respondent in its Statement of Answer requested the entry of an arbitration award in its favor, attorney's fees, and costs.

OTHER ISSUES CONSIDERED AND DECIDED

At the hearing on this matter, Claimant made a Motion to Amend the Statement of Claim. The motion was granted.

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:

1. Respondent shall pay Claimant compensatory damages in the amount of \$38,500.00, plus \$6,000.00 in interest on that amount;
2. Respondent shall pay Claimant reimbursement of filing fee in the amount of \$500.00;
3. The parties shall bear their respective costs, including attorney's fees, except as Fees are specifically addressed below; and,
4. Any and all relief not specifically addressed herein, including punitive damages, is denied in its entirety.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution will retain or collect the non-refundable filing fees for each claim:
Initial claim filing fee = \$ 500.00

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(s) at the time of the events giving rise to the dispute. Accordingly, Respondent is a party.

Member surcharge	= \$ 2,500.00
Pre-hearing process fee	= \$ 600.00
<u>Hearing process fee</u>	<u>= \$ 4,500.00</u>
Total Member Fees	= \$ 7,600.00

Forum Fees and Assessments

The Panel has assessed forum fees for each session conducted. A 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:

One (1) Pre-hearing session with Panel @ \$1,200.00	= \$ 1,200.00
Pre-hearing conference: March 25, 2002 1 session	
Three (3) Hearing sessions @ \$1,200.00	= \$ 3,600.00
<u>Hearing Dates: September 24, 2002 3 sessions</u>	
Total Forum Fees	= \$ 4,800.00

1. The Panel has assessed \$2,400.00 of the forum fees to Claimant.
2. The Panel has assessed \$2,400.00 of the forum fees to Respondent.

FFEE SUMMARY

1. Claimant is assessed the following fees:

Initial Filing Fee	= \$ 500.00
<u>Forum Fees</u>	<u>= \$ 2,400.00</u>
Total Fees	= \$ 2,900.00
<u>Less payments</u>	<u>= \$ 1,700.00</u>
Balance Due NASD Dispute Resolution	= \$ 1,200.00

2. Respondent is assessed the following fees:

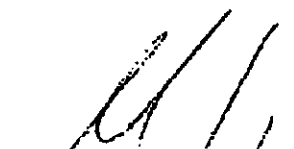
Member Fees	= \$ 7,600.00
<u>Forum Fees</u>	<u>= \$ 2,400.00</u>
Total Fees	= \$10,000.00
<u>Less payments</u>	<u>= \$ 7,600.00</u>
Balance Due NASD Dispute Resolution	= \$ 2,400.00

All balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to Rule 10330(g) of the Code.

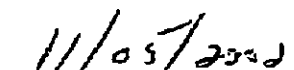
ARBITRATION PANEL

Stanley Yorsz, Esq.	-	Public Arbitrator, Presiding Chairperson
Robert Charkovsky, Esq.	-	Public Arbitrator, Panelist
Frank Samuel Perri, II	-	Non-Public Arbitrator, Panelist

Concurring Arbitrators' Signatures



Stanley Yorsz, Esq.
Public Arbitrator, Presiding Chairperson



Signature Date

Robert Charkovsky, Esq.
Public Arbitrator, Panelist

Signature Date

Frank Samuel Perri, II
Non-Public Arbitrator, Panelist


Signature Date


Date of Service (For NASD Dispute Resolution office use only)

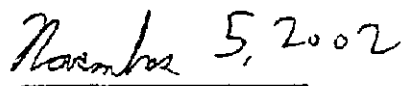
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Public Arbitrator, Presiding Chairperson

Signature Date



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Public Arbitrator, Panelist



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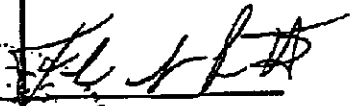
Concurring Arbitrators' Signatures

Stanley Yorsz, Esq.
Public Arbitrator, Presiding Chairperson

Signature Date

Robert Charkovsky, Esq.
Public Arbitrator, Panelist

Signature Date



Frank Samuel Perri, II
Notary Public, Panelist

11/4/02
Signature Date

Notary Public: Patricia Podgorski 11/4/02

Notarial Seal
Patricia J. Podgorski, Notary Public
Pittsburgh, Allegheny County
My Commission Expires Jan. 24, 2005
Member, Pennsylvania Association of Notaries

November 5, 2002
Date of Service (For NASD Dispute Resolution office use only)