

**Award**  
**NASD Dispute Resolution, Inc.**

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In the Matter of the Arbitration Between

**Name of Claimant**

Lan Fang Chen

Case No. 01-03072

Hearing Site: *Boca Raton, Florida*

**Names of Respondents**

William Fraser  
Your Discount Broker, Inc.

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**REPRESENTATION OF PARTIES**

For Lan Fang Chen ("Chen") hereinafter referred to as "Claimant": Randall W. Henley, Esq., West Palm Beach, Florida.

For Respondents Your Discount Broker, Inc. ("YDB") and William Fraser ("Fraser"), hereinafter collectively referred to as "Respondents": David J. Campbell, Bressler Amery and Ross, New York, New York.

**CASE INFORMATION**

Statement of Claim filed on or about: June 11, 2001.

Claimant signed the Uniform Submission Agreement: May 31, 2001.

Statement of Answer filed by Respondents on or about: July 24, 2001.

Respondent YDB signed the Uniform Submission Agreement: June 29, 2001.

Respondent Fraser signed the Uniform Submission Agreement: June 29, 2001.

**CASE SUMMARY**

Claimant asserted the following: 1) Respondents made unsuitable investments in Claimant's account; and 2) Respondents made excessive trades in Claimant's account. The causes of action relate to the purchase and sale of various unspecified securities.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted various defenses.

**RELIEF REQUESTED**

Claimant requested compensatory damages of \$67,432.00, plus interest, punitive damages, and attorney's fees.

Respondents requested that all claims against them be dismissed, that they be indemnified for their costs and attorney's fees, and such other and further relief as is deemed just and proper. In addition, Respondent Fraser requested that all references to this matter be expunged from his NASD Central Registration Depository ("CRD") record.

### **OTHER ISSUES CONSIDERED AND DECIDED**

Prior to the evidentiary hearing, Respondents' Motion to Dismiss was denied by the arbitrators. At the evidentiary hearing, Respondents renewed their Motion to Dismiss after the presentation of Claimant's case. The Motion was granted as to Respondent Fraser.

The parties have agreed that the Award in this matter may be executed in counterpart copies.

### **AWARD**

After considering the pleadings, the testimony and evidence presented at the hearing, and the post-hearing submissions (if any), the undersigned Arbitrators (the "Panel") have decided in full and final resolution of the issues submitted for determination as follows:

Claimant's claims are denied in their entirety.

The Panel recommends the expungement of all references to the above captioned arbitration from Respondent William Fraser's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notices to Members 99-09 and 99-54, Respondent William Fraser must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

Any and all other requests for relief not specifically addressed herein, including Claimant's request for punitive damages as well as the requests of Claimant and Respondents for attorney's fees, are denied.

### **FEES**

Pursuant to the NASD Code of Arbitration Procedure (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 that employed the associated person at the time of the events giving rise to the

dispute. In this matter, the member firm is a party.

Member surcharge	= \$1,000.00
Pre-hearing process fee	= \$ 600.00
Hearing process fee	= \$1,500.00

### **Adjournment Fees**

Adjournments requested during these proceedings:

January 22 through January 23, 2002 hearing dates, adjournment requested by Respondents YDB and Fraser. Adjournment fee of \$750.00 was assessed against Respondents YDB and Fraser, jointly and severally.

### **Forum Fees and Assessments**

The panel has the authority to assess 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:

One (1) Pre-hearing session with Panel x \$750.00	= \$ 750.00
Pre-hearing conferences: November 20, 2001	1 session
Four (4) Hearing sessions x \$750.00	= \$3,000.00
Hearing Dates: February 19, 2002	2 sessions
February 20, 2002	2 sessions

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Total Forum Fees	= \$3,750.00
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The panel has assessed \$ 937.50 of the forum fees to Claimant.

The panel has assessed \$2,812.50 of the forum fees jointly and severally to Respondents YDB and Fraser.

### **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 during these proceedings.

### **Fee Summary**

Claimant be and hereby is solely liable for:

Initial Filing Fee	= \$ 225.00
Forum Fees	= \$ 937.50

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Total Fees	= \$1,162.50
Less payments	= \$975.00
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Balance Due NASD Dispute Resolution, Inc.	= \$ 187.50

Respondent YDB be and hereby is solely liable for:

Member Fees	= \$3,100.00
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Total Fees	= \$3,100.00
Less payments	= \$3,100.00
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Balance Due NASD Dispute Resolution, Inc.	= \$ 0.00

Respondents YDB and Fraser be and hereby are jointly and severally liable for:

Adjournment Fee	= \$ 750.00
Forum Fees	= \$2,812.50
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Total Fees	= \$3,562.50
Less payments	= \$ 0.00
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Balance Due NASD Dispute Resolution, Inc.	= \$3,562.50

All balances are due and payable to NASD Dispute Resolution, Inc. immediately upon receipt of the Award by the parties pursuant to Rule 10330(g) of the Code.

**ARBITRATION PANEL**

<i>Rebecca J. Covey, Esq.</i>	-	<i>Public Arbitrator, Presiding Chair</i>
<i>Philip Harris</i>	-	<i>Public Arbitrator</i>
<i>Kathy N. Novick</i>	-	<i>Non-Public Arbitrator</i>

**Concurring Arbitrators' Signatures**

\_\_\_\_\_  
/s/  
Rebecca J. Covey, Esq.  
Public Arbitrator, Presiding Chair

\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
/s/  
Philip Harris  
Public Arbitrator

\_\_\_\_\_  
Signature Date

N.A.S.D. DISPUTE RESOLUTION, INC.

Arbitration No. 01-03072

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Philip Harris

Kathy N. Novick

Public Arbitrator, Presiding Chair

Public Arbitrator

Non-Public Arbitrator

**Concurring Arbitrators' Signatures**


Rebecca J. Covey, Esq.

Public Arbitrator, Presiding Chair

4-1-02

Signature Date

Philip Harris

Public Arbitrator

Signature Date

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<i>Kathy N. Novick</i>	-	<i>Non-Public Arbitrator</i>

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Rebecca J. Covey, Esq.  
Public Arbitrator, Presiding Chair

\_\_\_\_\_  
Signature Date

*Philip Harris*  
\_\_\_\_\_  
Philip Harris  
Public Arbitrator

*March 28, 2002*  
\_\_\_\_\_  
Signature Date

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Kathy N. Nowick  
Non-Public Arbitrator

3-28-02  
Signature Date

Date of Service (For NASD-Division Resolution office use only)

### Non-Public Arbitrator

Signature Date

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