

NASD DISPUTE RESOLUTION AWARD

NASD DISPUTE RESOLUTION

CASE: 03-04965

Helen Ray Bailey & William R. Bailey JTWROS, Claimant v. Kirlin Securities, Inc. and Scott Harris, Respondents.

ATTORNEYS:

Claimant, Helen Ray Bailey & William R. Bailey JTWROS, ("Claimant"), appeared pro se, Easton, PA.

Respondents, (collectively "Respondents"):

For Respondent, Kirlin Securities, Inc., ("Kirlin"), appeared in-house counsel, Bradly M. Borodetsky, Esq., Syosset, NY.

Respondent, Scott Harris, ("Harris"), did not respond to the Statement of Claim.

NATURE OF DISPUTE: Customer v. Member and Associated Person

DATE FILED: July 7, 2003

CASE SUMMARY: Claimant alleged that Respondent Harris misrepresented and omitted material facts regarding the unsuitable investment of account funds in Iridium bonds. Claimant additionally alleged that Respondent Kirlin failed to supervise its representative, Respondent Harris. Claimant maintained that due to Respondents' actions, the joint account suffered financial losses.

ARBITRATOR'S REPORT:

Specific performance claim is denied.

Award against Kirlin based on judgment that there was some lack of supervision over Scott Harris but it was mitigated by the fact that Claimant failed to bring these issues to the attention of Respondent Kirlin Securities, Inc. in a more timely manner.

Claim Data

Claim: \$20,000.00
Specific Performance: Relief from commissions paid to make investments safer than those chosen by Harris
Interest: \$2,150.00, as promised by Harris
Interest: interest from 3/1/02
Attorney Fees: Unspecified
Filing Fees: Unspecified
Other: Unspecified

Award Data

Award: \$17,481.75
Specific Performance: Denied
Interest: \$.00
Interest: \$.00
Attorney Fees: \$.00
Filing Fees: \$.00
Other: \$.00

AWARD: The undersigned arbitrator has decided and determined in full and final resolution of the issues submitted for determination as follows: 1) Respondent Kirlin Securities, Inc. is liable for and shall pay to the Claimant \$2,481.75. 2) Respondent Scott Harris is liable for and shall pay to the Claimant \$15,000. 3) All requests for interest are denied. 4) All requests for attorney fees are denied. 5) All other relief requests are denied. 6) The \$125.00 filing fee and \$300.00 hearing session deposit were previously waived by NASD Dispute Resolution. 7) Claimant is liable and shall pay NASD Dispute Resolution \$212.50 as payment of one half of the initial filing fee and hearing session deposit. 8) Respondents are jointly and severally liable and shall pay to NASD Dispute Resolution \$212.50 as reimbursement of one half of the filing fee.

OTHER FEES: Pursuant to Rule 10333 of the Code, Respondent Kirlin Securities, Inc., has paid to NASD Dispute Resolution the \$425.00 Member Surcharge previously invoiced.

OTHER ISSUES: Pursuant to the By-Laws of NASD Dispute Resolution, the arbitrator determined that Respondent Scott Harris was served notice of the Statement of Claim by regular mail, Overdue Notice and Notification of Arbitrator by certified mail, and is therefore bound by the arbitrator's ruling and determination.


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ARBITRATOR

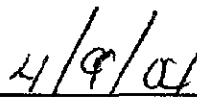
Demetrio S. Timban, Jr., Esq. - Sole Public Arbitrator

AFFIRMATION

I, Demetrio S. Timban, Jr., Esq., do hereby affirm, upon my oath as arbitrator that I am the individual described herein who executed this instrument, which is my oath and award.



Demetrio S. Timban, Jr., Esq.



Signature Date

April 29, 2004

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