

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC. -

In the Matter of the Arbitration Between

Eleanor Marcus-Krasner, Claimants
Stanley Krasner, Ray Krasner
and Catherine Marcus

vs.

Drexel Burnham Lambert, Inc., Respondents
Bear Stearns & Co., Inc. and
Norman A. Levine

AWARD

CASE NO. 87-01506

SUMMARY OF ISSUES

This case was filed on August 6, 1987. Claimants alleged churning, unsuitability, unauthorized trading, and lack of supervision, in connection with trading in commodities, in options, and dealing on margin. Respondents denied any wrongdoing or liability.

DAMAGES AND RELIEF REQUESTED

Claimants requested the following relief: 1) actual damages in the amount of approximately \$300,000.00; 2) punitive damages in an amount at least equal to the actual damages awarded by the panel, if any; 3) interest at the legal rate; and 4) costs and reasonable attorneys' fees in this proceeding. Respondent Drexel Burnham Lambert, Inc. requested that the Statement of Claim be dismissed in its entirety and that the costs be awarded in their favor. Respondent Bear Stearns & Co., Inc. requested that the Statement of Claim be dismissed and that the attorneys' fees and costs of these proceedings be assessed against Claimants. Bear Stearns & Co., Inc. asserted a counterclaim against Claimants, requesting an award in the amount of \$71,500.00.

DAMAGES AND RELIEF AWARDED

On May 8, 1990 in Los Angeles, California, the undersigned arbitrators heard the controversy in two sessions between the parties as set forth in submissions to arbitration signed by Claimants on October 26, 1987, by Respondent Drexel Burnham Lambert, Inc. on March 17, 1988 and by Respondent Bear Stearns & Co., Inc. on March 15, 1988. Respondent Norman Levine, duly notified of the arbitration and hearing dates, and subject to the jurisdiction of the National Association of Securities Dealers, Inc. ("NASD") pursuant to Section 12 of the Code of Arbitration Procedure, did not appear at the arbitration hearing. Pre-hearing conferences were held on November 10, 1989 and on April 26, 1990. The arbitration panel,

having considered the pleadings, the testimony, and the evidence presented at the hearing, has determined in full and final resolution of the issues submitted for determination as follows:


1. Each and every claim of Claimants is dismissed.
2. Each and every counterclaim is dismissed.
3. The parties shall each bear their respective costs including attorneys' fees.
4. In accordance with Section 43 of the NASD Code of Arbitration Procedure:
 - a. the NASD shall retain the \$750.00 filing fee previously deposited by the Claimants as an assessment of forum fees by the arbitrators;
 - b. Claimants are assessed forum fees in the amount of \$750.00 to be paid directly to the National Association of Securities Dealers, Inc.; and
 - c. Respondent Bear Stearns & Co., Inc. is assessed forum fees in the amount of \$1,500.00 to be paid directly to the National Association of Securities Dealers, Inc.

PRESIDING ARBITRATORS

DATE SERVED: 06/08/90

Wayne E. Gallop, Esq.

Leo B. Babich



Diana G. Davis