



Arbitration

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

National Association of  
Securities Dealers, Inc.  
One East Broward Boulevard  
Suite 1000  
Ft. Lauderdale, Florida 33301  
(305) 522-7391

In the Matter of the Arbitration Between: )

Name of Claimant(s) )

First Union Brokerage Services, Inc. )

CASE #88-00109

Name of Respondent(s) )

Rebecca Silbovitz )

Heard before the members of the Arbitration Panel:

Meah Dell Rothman Tell, Esq.  
Mr. Thomas E. Swenson  
Mr. Ralph M. Byer

CASE SUMMARY

This claim was filed with the National Association of Securities, Inc. (NASD) on January 14, 1988 and the counterclaim was filed on July 6, 1988. The hearing was conducted in Fort Lauderdale, Florida on July 25, 1989, January 30 and 31, 1990, May 30, 1990 and June 7, 1990 with a total of eleven (11) sessions.

Claimant, First Union Brokerage Services, Inc. ("1st Union"), alleged that Respondent, Rebecca Silbovitz, as Trustee for the Rebecca Silbovitz Living Trust, ("Silbovitz") had a debit balance in her account due to the liquidation of the account resulting from the market crash of October, 1987. Respondent alleged that there was no valid contract; that Claimant was the cause of any losses and asserted a counterclaim alleging breach of fiduciary duty; negligence; fraud and unauthorized trades.

RELIEF REQUESTED

Claimant requested damages in the amount of \$189,011.00 plus interest, costs and attorney's fees. Respondent requested dismissal of the claim and counterclaimed for damages in the amount of \$600,000.00 plus costs, interest, and punitive damages.

### AWARD

On July 25, 1989, January 30 and 31, 1990, May 30, 1990 and June 7, 1990, the arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed by Claimant on December 30, 1987, and by Respondent on June 25, 1989. 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. The parties have agreed that the Award in this matter may be executed in counterpart copies or that a handwritten, signed Award may be entered. In either case, the parties have agreed to receive conformed copies of the Award while the original(s) remain on file with the NASD.
2. Respondent, Silbovitz, is found liable and shall pay to Claimant, 1st Union, the amount of One Hundred Sixty Thousand Six Hundred Fifty Nine and 35/100 (\$160,659.35) Dollars.
3. Claimant/Counter Repondent, 1st Union, is found liable and, the award to it was reduced by 15%.
4. Respondent/Counter Claimant's request for costs, interest, and punitive damages is denied.
5. Pursuant to Section 43 of the Code of Arbitration Procedure, the Panel has assessed forum fees in the amount of Eight Thousand Two Hundred Fifty and 00/100 (\$8,250.00) Dollars (11 sessions x \$750 per session). Claimant is hereby assessed Four Thousand One Hundred Twenty Five and 00/100 (\$4,125.00) Dollars payable to the NASD, Inc. and Respondent, Silbovitz, is hereby assessed forum fees in the amount of Four Thousand One Hundred Twenty Five and 00/100 (\$4,125.00) Dollars payable to the NASD, Inc. The NASD, Inc. shall retain the Seven Hundred Fifty and 00/100 (\$750.00) Dollar filing fee previously deposited by the Claimant in partial satisfaction of Claimant's share of such forum fees.

### OTHER ISSUES

None.

### ARBITRATORS CONCURRING

/s/  
Meah Dell Rothman Tell, Esq.

/s/  
Mr. Thomas E. Swenson

/s/  
Mr. Ralph Byer

Dated: November 16, 1990