

SF

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between)	
Duncan Bazemore)	
Loretta Bazemore)	
)	
Claimants)	
vs.)	AWARD
)	
Birr Wilson & Co., Inc.)	NASD NO. 88-00651
Robert Wotherspoon)	
)	
Respondents)	

SUMMARY OF ISSUES

This case was filed with the National Association of Securities Dealers, Inc. ("NASD") on February 29, 1988. Claimants alleged the following: fraud, negligent misrepresentation, constructive fraud, concealment, professional negligence, breach of contract, violation of the Racketeer Influenced and Corrupt Organizations (RICO) Act (18 U.S.C. Section 1961 et seq.) and negligent infliction of emotional distress by respondent in the management of claimants' securities account.

Respondents denied all substantive allegations of claimants. Respondents filed a joint counterclaim against claimant Duncan Bazemore for express and implied indemnity and sanctions under Federal Rules of Civil Procedure Rule 11 and California Code of Civil Procedure Section 128.5.

Claimants denied all substantive allegations in respondents' counterclaim.

DAMAGES AND RELIEF REQUESTED

Claimant requested:

1. General damages of at least \$304,262.00 for economic losses;
2. Special damages to be proven at the arbitration for personal and emotional damages;

3. Treble RICO damages;
4. Punitive damages for fraud, concealment and constructive fraud;
5. Costs and attorney's fees.

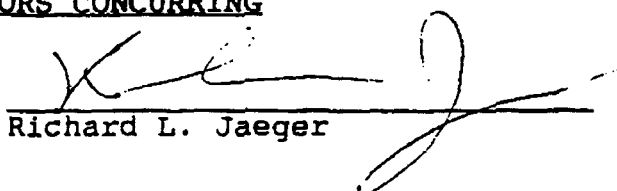
DAMAGES AND RELIEF AWARDED

On July 25, July 26 and August 3, 1990, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed by Claimants on January 15, 1988 and by Respondent Birr Wilson & Co. on July 11, 1988, (although the action was stayed as to Birr Wilson & Co. when they entered bankruptcy) and by Respondent Wotherspoon on July 11, 1988. The hearing was conducted in San Francisco and lasted seven sessions. 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. Respondent Wotherspoon is liable for and shall pay claimants the sum of \$31,123.00.
2. The claim for punitive damages is dismissed.
3. Respondent's counterclaim is dismissed.
4. The parties shall each bear their respective costs including attorneys' fees.
5. In accordance with Section 43 of the NASD Code of Arbitration Procedure, the NASD shall retain the \$1,000.00 filing fee previously deposited by the Claimant as an assessment of forum fees by the arbitrators. This fee is to be paid by Respondent Wotherspoon to Claimant. In addition, Wotherspoon is also assessed fees of \$6,000.00, representing charges for forum fees payable to the NASD, Inc.

ARBITRATORS CONCURRING

DATE SERVED: 10/26/90



Richard L. Jaeger

John O. Blevins, Jr.

Neil G. Clem