

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Arbitration Matter Between

KEN PAUL

Claimant

v.

RAF FINANCIAL CORP. INC.,  
f/k/a RAFCO FINANCIAL CORP.,  
f/k/a J. PITTOCK & CO., INC.  
AND MICHAEL D. HAYES

Respondents

Case No. 88-02437

On April 19 and 20 and June 7 and 9, 1989, in Denver, Colorado, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed on July 27, 1988 by the Claimant.

The Arbitration Panel, having considered the pleadings, the testimony, the briefs, the evidence heard and the post-hearing submissions, has determined as its full and final resolution of all issues submitted for determination as follows:

1. The Respondent, Michael D. Hayes, shall be liable to the Claimant Ken Paul and shall pay to him the sum of \$500.00;
2. Respondent Hayes' counterclaim against Claimant shall be dismissed;
3. All claims asserted against Respondent RAF Financial Corp. shall be dismissed;
4. The Arbitrators determined that they did have the authority to Award attorney's fees. Each party requested attorney's fees and therefore granted the Arbitrators the authority to award them;
5. Respondent, Michael D. Hayes, shall pay the Claimant's attorney's fees in the amount of \$23,057.00;
6. The Claimant, Ken Paul shall pay Respondent RAF's attorney's fees in the amount of \$10,000;
7. Respondent Hayes shall pay the Claimant's costs in the amount of \$1,630.32;
8. Interest shall not be assessed;

9. The \$400.00 filing fee, initially deposited by the Claimant, shall be retained as costs of this proceeding;

10. In accordance with Section 43(b) of the NASD Code of Arbitration Procedure, the Claimant and each Respondent shall be assessed \$1,066.00 in forum fees. These fees shall be paid directly to the NASD.

By the Panel

Dated: 7-13-89

/S/ Edmund Epstein, Esq.

Dated: 7-13-89

/S/ John A. Eckstein, Esq.

Dated: 7-13-89

/S/ Terrance A. Moran

Date Served: 9-25-89