

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

National Association of
Securities Dealers, Inc.
Suite 1680
Three First National Plaza
Chicago, IL 60602
(312) 899-4440

In the Matter of the Arbitration Between

Name of Claimant(s)

JAMES R. TSCHIDA

88-03518

Name of Respondent(s)

PIPER, JAFFRAY & HOPWOOD, INC.
AND JOHN STASSEN

CASE SUMMARY

In a claim filed by Claimant James R. Tschida on or about November 10, 1988 as Trustee for the James R. Tschida, Ltd. Defined Pension Trust and as Trustee for Tschida's Employees Pension Plan and Trust Claimant alleged that Respondent John Stassen as a broker for Piper Jaffray & Hopwood, Inc. a member firm, excessively traded or churned accounts of Claimant. Claimant further alleges that Respondent assumed control over Claimant's accounts, wrongfully manipulated the accounts and purchased securities which were unsuitable for Claimant's investment objectives. Further Claimant alleges that Respondent John Stassen made misrepresentations concerning securities traded in Claimant's accounts and made unauthorized trades in Claimant's accounts. Claimant also brings an action for negligence, breach of fiduciary duty, conversion, fraud, breach of contract and various securities law violations. In an answer filed on or about July 30, 1990 Respondent denied all allegations of wrongful activity with regard to the accounts and affirmatively asserts that Claimant 1) failed to state a claim for relief 2) authorized all transactions in the accounts 3) had full control of the accounts. Further Respondent states that 1) trading was not excessive; 2) Respondent owed no fiduciary duty to Claimant; 3) Claimant lacks standing to bring the action; 4) claims are barred by statutes of limitation and doctrines of laches estoppel, contributory negligence, waiver and payment. Respondent also claims that there is no jurisdiction over Stassen in this proceeding. Respondent John Stassen also asserts a motion to dismiss the above action.

RELIEF REQUESTED

Claimant requests damages in excess of \$100,000 with interest, costs and reasonable attorneys fees.

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On August 14, 1990 in Minneapolis, Minnesota during a hearing lasting 2 sessions, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed on April 12, 1989 by Claimant, James R. Tschida on behalf of James Tschida Ltd. Defined Pension Trust and Tschida's Employees Pension Plan and Trust, on September 28, 1989 by Respondent John Stassen. On August 2, 1989 by AnnDrea M. Benson on behalf of Respondent Piper, Jaffray & Hopwood, Inc..

The arbitration panel, having considered the pleadings, the testimony, and the evidence presented at the hearing, has decided in full and final resolution for the issues submitted for determination as follows:

1. Each party shall bear his own respective attorneys' fees and costs;
2. Respondent (Stassen) is liable for and shall pay to Claimant the amount of \$30,000.00 (Thirty Thousand Dollars and no cents);
3. Claimant and Respondent (Stassen) are each assessed \$750.00 additional forum fees;
4. Pursuant to Section 43(c) of the Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. shall retain as forum fees, the \$750.00 filing fee previously deposited with the NASD by the Claimant.

Arbitrator(s) Signature

Dated: August 14, 1990 /S/ Frederick A. Bohling, Esq.

Dated: August 14, 1990 /S/ Wendy Sacha

Dated: August 14, 1990 /S/ John Robert Kelly

Date Served: 8-21-90