

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between

Niels A. Skov, Niels A. Skov as Claimants
Trustee for the Thor H. Skov
Trust, Niels A. Skov as Trustee
for the Skov Marital Trust, Niels
A. Skov as Trustee for the Skov
Family Trust, and Joan Oberman as
Trustee for the Joshua Skov Trust

AWARD

CASE NO. 89-01967

vs.

Charles Dean, Randy Dean and Respondents
Dean Securities

SUMMARY OF ISSUES

Claimants alleged, as amended at the hearing, that Respondents made unauthorized trades in their accounts, that Respondents failed to disclose their status as principal in bond transactions, that Respondents failed to disclose the markups on the bond transactions, and that the markups were excessive.

Respondents denied the amended allegations, and asserted that all trades were authorized, that their principal status is disclosed on all confirmation notices, and that all markups were disclosed and within the allowable range (excepting the case of the Mobile, Alabama bonds).

DAMAGES AND RELIEF REQUESTED

Claimants requested damages, as amended at the hearing, of \$58,463.00 plus interest for unauthorized trading, approximately \$42,000.00 for excessive markups over the period 1986-1989, approximately \$42,000.00 for excessive markups over the period 1982-1985, plus attorneys' fees, costs and punitive damages.

Respondents requested dismissal of all Claimants' claims, and counterclaimed for an award of costs, disbursements and attorneys' fees.

PROCEDURAL SUMMARY

This claim was filed with the National Association of Securities Dealers, Inc. ("NASD") on July 11, 1989. On June 5, 6 and 7, 1990, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed by all Claimants on June 21, 1989, and

by all Respondents on August 21, 1989. The hearing was conducted in Seattle, Washington and lasted five sessions.

DAMAGES AND RELIEF REQUESTED

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 as follows:

1. Respondents Dean Securities and Charles Dean are jointly and severally liable for and shall pay to Claimants the sum of \$40,000.00.
2. All claims asserted against Randy Dean are dismissed.
3. The 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 \$750.00 filing fee previously deposited by the Claimants as an assessment of forum fees. In addition, Dean Securities and Charles Dean are also assessed, jointly and severally, forum fees of \$3,000.00, payable to the National Association of Securities Dealers, Inc.

PRESIDING ARBITRATORS

DATE SERVED: 07/19/90'



Harry E. Jennings, Jr.

Katherine Hendricks

Donald C. Douglas