

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between)	
<u>Name of Claimant(s)</u>)	
Sheri D. Stein)	
<u>Name of Respondent(s)</u>)	Case No. 89-02828
Robert Davidson)	
Heard before the members of the Arbitration Panel:		

Louise T. Jeroslow, Esq.
Harry Polansky
Samson Silberman

CASE SUMMARY

This claim was filed with the National Association of Securities Dealers, Inc., on October 13, 1989. The hearing was conducted in Fort Lauderdale, Florida, on September 6 and December 7, 1990, with a total of three (3) sessions.

Claimant, Sheri Stein ("Stein"), alleged that Respondent, Robert Davidson ("Davidson"), was liable for: violations of Section 10(b) of the Securities Exchange Act of 1934; violation of Chapter 517 of the Florida Statutes; fraud; breach of contract; and, unauthorized trades. Claimant alleged that Respondent's misrepresentations and omissions induced Claimant into allowing the trading of option contracts in her account.

Respondent alleged that: he made no unauthorized trades; never solicited Claimant's business; Claimant granted a limited power of attorney to Owen Steinberg who effectuated all trades in Claimant's account; no complaints were ever received from Claimant; Mr. Steinberg was a sophisticated investor; and, Claimant should be estopped from claiming against Respondent.

RELIEF REQUESTED

Claimant requested damages of between \$10,000.00 and \$50,000.00 which was amended at the hearing to \$6,654.58 plus punitive damages, costs, and attorney's fees.

Respondent requested dismissal of the claim.

AWARD

On September 6 and December 7, 1990, the arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed by Claimant on October 10, 1989, and by Respondent on June 25, 1990. 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 originals remain on file with the NASD.
2. Respondent, Davidson, is found liable and shall pay to the Claimant the amount of Four Thousand Nine Hundred Ninety and 93/100 (\$4,990.93) Dollars.
3. Claimant's requests for interest, attorney's fees, costs and punitive damages are denied.
4. Pursuant to Section 43 of the Code of Arbitration Procedure, the Panel has assessed forum fees in the amount of One Thousand Two Hundred and 00/100 (\$1,200.00) Dollars (3 sessions x \$400.00). Claimant is hereby assessed Six Hundred and 00/100 (\$600.00) Dollars for which the National Association of Securities Dealers, Inc., shall retain Six Hundred and 00/100 (\$600.00) Dollars of the One Thousand Five Hundred and 00/100 (\$1,500.00) Dollars previously deposited in full satisfaction thereof. The NASD, Inc., shall refund to the Claimant the remaining Nine Hundred and 00/100 (\$900.00) Dollars. Respondent is hereby assessed Six Hundred and 00/100 (\$600.00) Dollars payable to the National Association of Securities Dealers, Inc.
5. The parties shall each bear all other costs and expenses incurred by them in connection with this proceedings including attorney's fees.

OTHER ISSUES

None.

ARBITRATORS CONCURRING

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Louise T. Jeroslow, Esq.

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Harry Polansky

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Samson Silberman

Dated: December 20, 1990