

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between)	
Delaware Steel Company of)	
California Profit Sharing Plan)	
Dated September 1, 1982,)	
Peter Taubkin, Trustee)	
)	AWARD
vs.)	
)	NASD #89-03007
James R. Bishop)	
)	
)	Respondent &
)	Third-Party Claimant
vs.)	
)	
Peter Taubkin)	
)	Third-Party Respondent
)	

SUMMARY OF ISSUES

Claimant trustee alleged transactions in unsuitable securities were made in a pension plan account. Claimant alleged Respondent breached his fiduciary duty by making the unsuitable recommendations.

Respondent denied the allegations. He asserted that he had no discretionary power over the account, that the transactions he recommended were suitable, that some of the transactions were unsolicited orders from Claimant trustee, that all trades had been approved by Claimant trustee, and that all trades had been approved by his branch manager.

Respondent asserted a claim for indemnification against Peter Taubkin individually.

DAMAGES AND RELIEF REQUESTED

Claimant requested damages of \$190,278,35.

Respondent Bishop requested dismissal of all claims.

The third party claim asserted by Respondent against Peter Taubkin personally requested indemnification in the event of an award of monetary damages in Claimant's favor.

DAMAGES AND RELIEF AWARDED

This claim was filed with the NASD on October 26, 1989. On November 29, 1990, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed by Claimant Trustee on October 25, 1989, and

by Respondent Bishop on December 13, 1989. Third party Respondent Taubkin did not sign a submission agreement in his individual capacity, and asserted that he was not personally subject to NASD jurisdiction. The hearing was conducted in Los Angeles, California and lasted two (2) 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 as follows:

1. All claims brought by Claimant against Respondent Bishop are dismissed.
2. The claims against Third-Party Respondent Taubkin are dismissed.
3. It is the intent of the panel that this award have no collateral effect against any other parties or potential parties relating to Claimant's account at Drexel Burnham Lambert.
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 Claimant.

OTHER ISSUES

1. A motion by Claimant to exclude the third-party claim on grounds the NASD has no jurisdiction over Peter Taubkin individually was denied by the panel.
2. A motion by Special Counsel for Respondent Bishop for an indefinite postponement was denied by the panel.
3. Drexel Burnham Lambert was named by Claimant as a respondent in this action; however the claim against Drexel Burnham Lambert was stayed pending the outcome of its bankruptcy proceedings.

ARBITRATORS CONCURRING

DATE SERVED: 1/15/91

L. Louis Raring

Bert Levy

Seymour Gibson