

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between)	
Melinda B. Mars)	AWARD
Claimant)	
vs.)	CASE #89-03097
Sutro & Company, Inc.)	
and Charles Gray)	
Respondents)	

SUMMARY OF ISSUES

This case was filed with the National Association Securities Dealers, Inc., ("NASD") on November 6, 1989. Claimant alleged unauthorized trading, failure to execute a customer's order and breach of fiduciary duty in connection with the purchase of four separate securities - common stocks and warrants - and separate transactions in early 1987.

Respondents denied the allegations and maintained that Claimant discussed and approved all transactions in her account, that all orders given by Claimant were executed, and that there was not a breach of fiduciary duty by Respondents.

DAMAGES AND RELIEF REQUESTED

Claimant requested damages, as amended at the hearing, in the amount of \$51,540.59, interest at 10% from the date of purchase, and reasonable attorney's fees.

Respondents requested dismissal of the claim in its entirety.

DAMAGES AND RELIEF AWARDED

On July 12, 1990, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed by Claimant on October 5, 1989 and Respondents on December 12, 1989. The hearing was conducted in Los Angeles, California and lasted two 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. Claimant is hereby awarded the sum of Twenty-Seven Thousand Five Hundred Dollars and Zero Cents (\$27,500.00) representing compensatory damages plus interest, assessed against Respondents jointly and severally.
2. The claim for attorney's fees is dismissed.
3. The parties shall each bear their respective costs including attorney's fees.
4. In accordance with Section 43 of the National Association of Securities Dealers, Inc. (NASD) Code of Arbitration Procedure: a) the NASD shall retain the \$500.00 filing fee previously deposited by the Claimant; and b) Respondents are jointly and severally assessed the sum of \$500.00 representing forum fees to be paid to the NASD directly.

OTHER ISSUES

The parties stipulated to the execution and service of the award in counterpart copies.

ARBITRATORS CONCURRING

Stepehn E. Haberfield

Daniel J. McCarthy

George N. Boy

DATE SERVED: 09/10/90