

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant(s)

Harry Shum

Name of Respondent(s)

G.K. Scott & Co. Inc.

Case No. 89-03240

Heard before the Arbitrator:

Leonard H. Davidson, Esq.

CASE SUMMARY

This claim was filed with the NASD, Inc. on November 17, 1989. The hearing was conducted in Fort Lauderdale, Florida on August 13, 1990 with a total of one session.

Claimant, Harry Shum ("Shum"), alleged that Respondent, G. K. Scott & Co., Inc. ("Scott"), through its authorized agent, Jeff Applebaum, made unauthorized trades in penny stocks in his account while Shum was out of the country for five days.

Respondent denied unauthorized trades and alleged the defense of failure to timely complain.

RELIEF REQUESTED

Claimant requested damages in the amount of \$2,800.00 and attorney's fees. Respondent requested dismissal.

AWARD

On August 13, 1990, the arbitrator heard the controversy between the parties as set forth in submissions to arbitration signed by Claimant on November 7, 1989, and by Respondent on March 23, 1990. The arbitrator, 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. Respondent, Scott, is found liable and shall pay to Claimant the amount of Two Thousand and 00/100 (\$2,000.00) Dollars plus interest at the legal rate of 12% per annum from July 1989 to the date of the Award in the amount of Three Hundred Sixty and 00/100 (\$360.00) Dollars, for a total due the Claimant of Two Thousand Three Hundred Sixty and 00/100 (\$2,360.00) Dollars.
2. Claimant's request for attorney's fees is denied.
3. Pursuant to Section 43 of the Code of Arbitration Procedure, Respondent, Scott, is hereby assessed forum fees in the amount of Twenty Five and 00/100 (\$25.00) Dollars payable directly to Claimant. The National Association of Securities Dealers, Inc. shall retain the Twenty Five and 00/100 (\$25.00) Dollar filing fee previously deposited by the Claimant.
4. The parties shall each bear all other costs and expenses incurred by them in connection with this proceeding, including attorneys' fees.

OTHER ISSUES

None.

ARBITRATOR CONCURRING


Leonard H. Davidson, Esq.

Received this 20th day of August 1990.