

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between)

Dorothy Clark)

Claimant)

vs.)

Alex Brown & Sons, Inc.)

Robert Dietrich)

Respondents)

AWARD

NASD NO. 90-00048

SUMMARY OF ISSUES

This case was filed with the National Association of Securities Dealers, Inc. ("NASD") on January 2, 1990. Claimant alleged: 1. churning; 2. breach of fiduciary duty; 3. unsuitability; 4. misrepresentation; and 5. emotional distress in the purchase of speculative stocks and stock options.

Respondents denied all of claimant's allegations and asserted the following affirmative defenses: 1. accounts were handled properly in accordance with claimant's instructions; 2. waiver, ratification and estoppel; 3. the alleged violations of self-regulatory organizations are not causes of action; 4. statute of limitation; and 5. the claim for emotional distress fails to state a cause of action under state or federal law.

DAMAGES AND RELIEF REQUESTED

Claimant requested:


1. Compensatory damages of \$70,000.00 for loss of principal;
2. Compensatory damages in excess of \$50,000.00 in commissions;
3. Loss of use of principal;
4. Compensatory damages for emotional distress; and
5. Punitive damages.

DAMAGES AND RELIEF AWARDED

On April 23, and 24, 1991, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed by Claimant on November 21, 1989 and by Respondents Alex Brown & Sons on March 23, 1990 and R. Dietrich on March 21, 1990. The hearing was conducted in San Francisco, California and lasted four sessions plus two pre-hearing sessions on November 9, 1990 and April 22, 1991. 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. All claims are dismissed.
2. The claim for punitive damages is dismissed.
3. The parties shall each bear their respective costs including attorneys' fees.
4. 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 as an assessment of forum fees by the arbitrators. In addition, Respondents are jointly and severally liable for and are assessed fees of \$2,850.00 representing charges for forum fees payable to the NASD, Inc.

ARBITRATORS CONCURRING


Robin Lynn Berry

Served May 15,, 1991