

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

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In the Matter of the Arbitration Between

Name of Claimants

Alan C. Stuart  
A.C. Stuart and Company, Inc.      AWARD

vs.      NASD #91-00673

Name of Respondents

PaineWebber, Inc.  
Jackson & Curtis aka  
PaineWebber, Inc.  
Scott Ozer

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REPRESENTATION

For Claimants: Michael Paule

For Respondents: Judy Louis, Esq.

CASE INFORMATION

Statement of Claim filed: March 4, 1991

Claimants' Submission Agreements signed: February 26, 1991  
and August 12, 1991

Joint Statement of Answer filed by Respondents on: October 10, 1991  
Respondents' Submission Agreements signed:  
PaineWebber: October 9, 1991  
Scott Ozer: October 3, 1991

HEARING INFORMATION

Hearing Date/ Sessions: April 28, 1992 (two sessions)

Hearing Location: Los Angeles

### CASE SUMMARY

Claimant alleged violation of Sections 10(b) and 20 of the Securities and Exchange Act of 1934 and Rule 10b-5, fraud, deceit and omission of material fact, lack of suitability, intentional misrepresentation of fact, violation of New York Stock Exchange Rules 342, 401 and 405 and National Association of Securities Dealers Rules of Fair Practice, Article III, Section Two, breach of fiduciary duty, negligent misrepresentation, breach of implied covenant of good faith and fair dealing and violation of California Code Section 2540 in transactions in Apple Computer and Amgen, Inc.

Respondents denied all substantive allegations of the Statement of Claim.

### RELIEF REQUESTED

Claimant requested:

1. Compensatory damages of \$56,810.00;
2. Pre-award and post-award from the date of the investment;
3. Costs; and
4. Punitive damages.

### OTHER ISSUES CONSIDERED & DECIDED

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.

### AWARD

After considering the pleadings, the testimony and the evidence presented at the hearing, the undersigned arbitrators have decided 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.

### OTHER COSTS

None.

**FORUM FEES**

Pursuant to Section 43c of the Code of Arbitration Procedure, the following forum fees are assessed: The NASD shall retain the \$500 hearing session deposit previously deposited by the claimant. Forum fees assessed against: Claimant for \$500.00

calculated as follows: Two hearing session x \$500/hearing session, minus \$500 already paid as a hearing deposit.

Fees are payable to the National of Securities Dealers, Inc.

**ARBITRATION PANEL**

**Name**

**Public/Industry**

Paul R. Fisher, Esq.  
Denise D. Gorges, Esq.  
Jeanne C. Stillwell

Public Arbitrator  
Public Arbitrator  
Industry Arbitrator

**Concurring Arbitrators' Signature**

DATE SERVED: 06/11/92

Paul R. Fisher, Esq.

Denise D. Gorges  
Denise D. Gorges, Esq.

Date of Decision: \_\_\_\_\_