

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant:

James Whittall

91-00696

Name of Respondents:

Alex Brown & Sons Incorporated
Michael Siefert

REPRESENTATION

For Claimant: William A. DeLorenzo, Esq., Solo Practitioner.

For Respondents Alex Brown & Sons Inc. and Michael Siefert: Daniel McIntyre, Esq., in house counsel for Alex Brown & Sons Inc.

CASE INFORMATION

Claimant signed a submission agreement on February 15, 1991 and filed a Statement of Claim on February 15, 1991.

Respondent Michael Siefert signed a submission agreement on April 17, 1991. Respondent Alex Brown & Sons Inc. signed a submission agreement on April 17, 1991. Respondents filed a joint Statement of Answer dated April 17, 1991.

HEARING INFORMATION

Hearing Date/Sessions: July 25, 1991; two sessions.

Hearing Location: New York, New York.

CASE SUMMARY

Claimant alleged that from April 23, 1990 to November 2, 1990 Respondent Siefert executed over 70 trades involving Upjohn call options in Claimant's account. He further alleged that these trades were unsuitable and caused severe financial strain to him. In addition, he maintained that Respondent Alex Brown & Sons, Inc. as Respondent Siefert's employer should be held responsible for Siefert's actions in mishandling Claimant's account.

Respondents alleged that Claimant was an experienced and educated investor who represented himself as having the finances to support his trading. Respondents further alleged that Claimant had a long history of investing in speculative investments.

RELIEF REQUESTED

Claimant requested the following:

- 1) abrogation of all trades from April 23, 1990 through November 2, 1990;
- 2) the sum of \$58,736.91 plus interest at the rate of 9% from November 2, 1990 to the date of the panel's award;
- 3) attorneys fees;
- 4) reimbursement of the \$950 NASD filing fee; and
- 5) Punitive damages in the amount of \$58,736.91.

Respondents requested dismissal of the claim and costs.

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. That the respondents are jointly and severally liable to the Claimant in the amount of \$18,666.66 inclusive of interest;
2. That all other claims are hereby dismissed;
3. That each side is to bear its own costs and attorneys' fees.

FORUM FEES

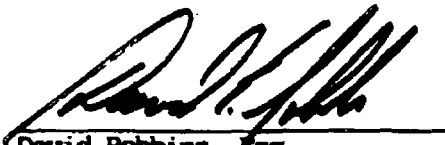
Pursuant to Section 43c of the Code of Arbitration Procedure, Forum Fees of \$1500.00 are assessed. This amount was calculated as two sessions x \$750/session = \$1500. This amount is to be borne by the parties as follows:

1. Claimant is assessed \$750.00, but will receive a credit for the \$750.00 hearing session deposit already paid in;
2. Respondent Alex Brown & Sons Inc. is to pay \$750.00.
3. The NASD will retain the \$200.00 claim filing fee paid by Claimant.

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

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Concurring Arbitrator's Signature:

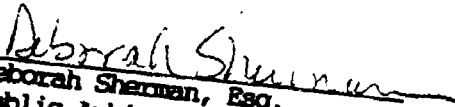


David Robbins, Esq.
Public Arbitrator

Dated by August 19, 1991
NJASB

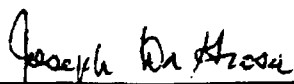
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Concurring Arbitrator's Signature:


Deborah Sherman, Esq.
Public Arbitrator

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Concurring Arbitrator's Signature:



Joseph DeGrosa
Industry Arbitrator

Date of Award: August 12, 1991