

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Edward Iannelli

vs.

NASD Arbitration
No. 91-01285

J. Alexander Securities, Inc.

REPRESENTATION

For Claimant: H. Thomas Fehn, Esq., of Fields, Fehn & Sherwin

For Respondent: Ralph B. Perry, III, Esq., of Graven, Perry, Block, Brody & Qualls

CASE INFORMATION

Statement of Claim filed: April 23, 1991

Claimant's Submission Agreement signed on: April 8, 1991

Statement of Answer filed by Respondent on: July 12, 1991

Respondent's Submission Agreement signed on: July 12, 1991

HEARING INFORMATION

Pre-Hearing Conferences: November 26, 1991 / one session

Hearing Date(s)/Session(s): December 12, 1991
and January 3, 1991 / four sessions total

Hearing Location: Los Angeles, California

CASE SUMMARY

Claimant alleged unsuitable securities transactions, excessive trading, fraud, misrepresentation and breach of fiduciary duty, in connection with trades in low quality stocks, low and non-rated corporate bonds (i.e. junk bonds) and options, and the use of margin without Claimant's knowledge.

Respondent denied any liability to Claimant and asserted that the account was properly handled at all times in a fair and professional manner.

RELIEF REQUESTED

Claimant requested 1) loss of principal of approximately \$20,000; 2) a reasonable rate of return on the principal from the date of original deposit in the account to the date of award for an amount not less than \$100,000.00 to be determined by the panel; 3) punitive damages in such amount as the panel may determine; and 4) reasonable costs and attorneys' fees. Respondent requested that costs and attorneys' fees be assessed against Claimant.

OTHER ISSUES CONSIDERED AND 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 original(s) remain on file with the NASD.

NASD

After considering the pleadings, the testimony and the evidence presented at the hearing and post hearing submissions (if any), the undersigned arbitrators have decided in full and final resolution of the issues submitted for determination as follows:

1. Any claim that Claimant may have been able to assert is barred by the running of the statute of limitations; further, Section 15 of the NASD Code of Arbitration Procedure, relating to the issue of jurisdiction at the expiration of six years, governed a significant portion of the period during which Claimant asserted his losses occurred.
2. On the merits of the case, each and every claim of Claimant against Respondent is dismissed.
3. Claimant's request for punitive damages is denied.
4. Claimant's request for attorneys' fees is denied.
5. Respondent's request for costs and attorneys' fees is denied.
6. Each party shall bear its own attorneys fees and cost.

FORUM FEES

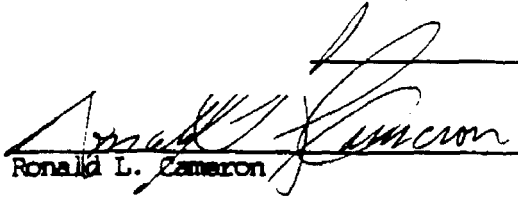
Pursuant to Section 43c of the Code of Arbitration Procedure, the NASD shall retain the \$200 nonrefundable filing fee and the \$750 hearing session deposit paid by the Claimant. In addition, Claimant is assessed forum fees in the amount of \$900. Said forum fees were calculated as follows: 1 prehearing conference x \$300 plus 4 hearing sessions x \$200 hearing session deposit = \$1100 less the \$200 hearing session deposit previously paid by Claimant = \$900 total due.

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

ARBITRATION PANEL

Public/Industry
Public Chairperson
Public
Industry

rs' Signatures



Ronald L. Cameron

Date of Decision: _____

Served Jan. 22, 1992