

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant(s)

Paul W. Boyles

91-01496

Name of Respondent(s)

NCNB Brokerage Services

REPRESENTATION

Claimant, Paul W. Boyles appeared pro se.

For Respondent, NCNB Brokerage Services, Charles M. Berger, Esq., In-house Counsel.

CASE INFORMATION

Statement of Claim filed: May 14, 1991.

Claimant's Submission Agreement signed on: May 9, 1991.

Statement of Answer filed by Respondent: August 19, 1991.

Respondent's Submission Agreement and Corporate Acknowledgment signed on: August 12, 1991 by James T. Hinson on behalf of the firm.

HEARING INFORMATION

Hearing Date(s)/Sessions: December 19, 1991-Two (2) Sessions.

Hearing Location: Raleigh, NC.

CASE SUMMARY

Claimant, Paul W. Boyles, M.D. alleged that Respondent, NCNB is responsible for the losses he incurred in connection with his account at NCNB and that Respondent is liable due to the following: 1. Illegal "Call"; 2. unnecessary sellout; 3. Unauthorized stock purchase; 4. Churning; 5. excessive margin interest; 6. failure to communicate with customer; 7. Delay in communication with Customer (up to 69 days; 8. Refusal to provide audit of records; 9. Racketeer influenced corrupt organization (RICO); and 10. other ill-defined offenses or undefined violations of customer's rights.

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Respondent, NQNB Brokerage Service, contended that: 1. Claimant assumed certain risks in using a discount broker; 2. Claimant was attempting to make profit without risking his own funds; 3. Claimant alleged his own investment sophistication but denied comprehension of margin agreement; 4. Respondent acted completely legally; 5. Claimant still owes Respondent \$3,276.00 shortage on margin calls. (Respondent asserted a Counterclaim against Claimant for said debit balance).

RELIEF REQUESTED

Claimant requested actual (compensatory) damages of \$64,717.00; punitive (exemplary) damages of \$150,000.00.

Respondent requested relief on its Counterclaim of \$3,276.00 plus interest attorneys' fees and other unspecified costs.

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 of the Claimant, Paul W. Boyles, M.D., against Respondent, NQNB Brokerage Services, shall be and are hereby dismissed in all respects;
2. Claimant, Paul W. Boyles, M.D., Shall pay to Respondent, NQNB Brokerage Services the sum of Three Thousand Two Hundred Seventy Six Dollars and No Cents (\$3,276.00;
3. The parties shall each bear their own costs including attorney's fees.

FORUM FEES

Pursuant to Section 43c and 44c of the Code of Arbitration Procedure, the NASD, Inc. shall retain the \$200.00 and \$500.00 non-refundable filing fees previously deposited by Claimant and Respondent respectively, and the following Forum Fees are assessed:

Two sessions X \$750.00 = \$1,500.00

Forum fees assessed against:

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1- Claimant, in the amount of \$750.00, however, the NASD shall offset this fee with the \$750.00 hearing session deposit previously deposited by Claimant, thereby, Claimant owes no Forum Fees;

2- Respondent, NCNB Brokerage Services, in the amount of \$750.00, however, the NASD shall offset part of this fee with the \$300.00 hearing session deposit previously deposited by Respondent, thereby, Respondent owes forum fees in the amount of \$450.00.

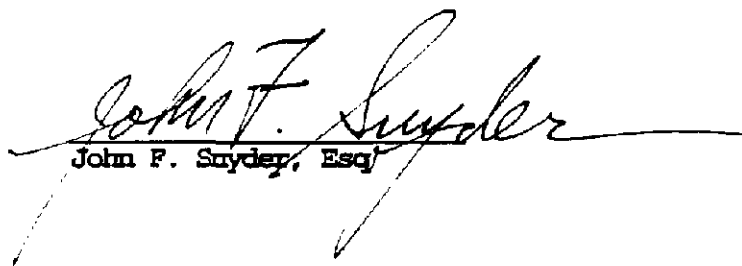
Fees are payable to the National Association of Securities Dealers, Inc.

ARBITRATION PANEL

John F. Snyder, Esq.

Public/Chairman
Public/Panelist
Industry/Panelist

Concurring Arbitrator's Signature


John F. Snyder, Esq.

Date of Decision: January 24, 1992

AWARD-#91-01496

- 1- Claimant, in the amount of \$750.00, however, the NASD shall offset this fee with the \$750.00 hearing session deposit previously deposited by Claimant, thereby, Claimant owes no Forum Fees;
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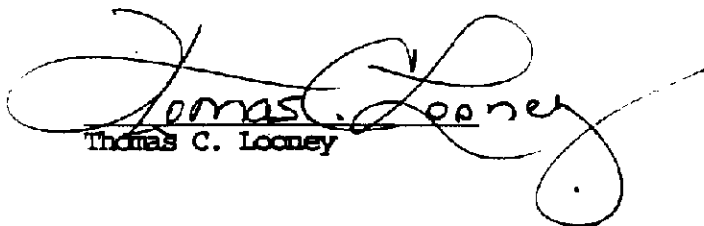
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ARBITRATION PANEL

John F. Snyder, Esq.
Lynn R. Buzzard
Thomas C. Looney

Public/Chairman
Public/Panelist
Industry/Panelist

Concurring Arbitrator's Signature


Thomas C. Looney

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Thomas C. Looney

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Concurring Arbitrator's Signature


Lynn R. Buzzard

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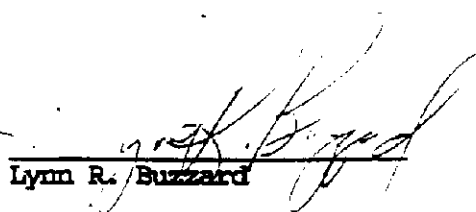
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Lynn R. Buzzard

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Concurring Arbitrator's Signature


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