

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Fern Meltzer

vs.

NASD #91-01801

Name of Respondents

Piper, Jaffray & Hopwood, Inc.
Marty Wick

vs.

Eric Meltzer - Third Party Respondent
Fern Meltzer - Counter-Respondent

REPRESENTATION

For Claimant, Third Party Respondent & Counter-Respondent: Anita C. Braker, Esq., Chism, Jacobson & Johnson, Seattle, Washington. At hearing only, the Meltzers represented themselves.

For Respondents, Counter-Claimants & Third Party Claimants: Fredrick D. Huebner, Esq., Helsell, Fetterman, Martin, Todd & Hokanson, Seattle, Washington.

CASE INFORMATION

Statement of Claim filed: June 11, 1991

Claimant's Submission Agreement signed: June 3, 1991

Joint Statement of Answer, Counterclaim and Third Party Claim filed: September 23, 1991

Respondents' Submission Agreements signed:

Piper, Jaffray & Hopwood, Inc.: September 17, 1991

Marty Wick: September 23, 1991

Joint Response to Counterclaim and Third Party Claim filed: February 5, 1992

Eric Meltzer's Submission Agreement signed: July 30, 1992

HEARING INFORMATION

Hearing Date/Sessions: August 14, 1992 - two sessions

Hearing Location: Seattle, Washington

CASE SUMMARY

Claimant alleged misrepresentation, fraud, violation of federal and Washington State securities laws, and violation of the Washington State Consumer Protection laws with respect to her investment in common stock.

Respondents denied the allegations, and asserted that Eric Meltzer had admitted instructing Respondents to buy the wrong stock.

Respondents counterclaimed for breach of contract for failing to review and correct promptly any errors in Claimant's confirmation and account statements. Respondents asserted a third party claim for negligence against Eric Meltzer for failure to provide full and complete information regarding the stock he wished Fern Meltzer to purchase, while acting as her agent. Respondents also asserted a claim against the Meltzers for filing a frivolous action.

The Meltzers denied all allegations contained in the counterclaim and third party claim.

RELIEF REQUESTED

Claimant requested damages of approximately \$10,000, plus interest and attorney's fees.

Respondents requested dismissal of all claims, and an award of costs of arbitration and attorney's fees.

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 National Association of Securities Dealers (NASD).

AWARD

After considering the pleadings, the testimony and the evidence presented at the hearing, the undersigned arbitrator has decided in full and final resolution of the issues submitted for determination as follows:

1. Respondents are jointly and severally liable for and shall pay to Claimant the sum of \$1500.

2. The claims for damages for fraud and for violations of securities laws and the Washington Consumer Protection Act are dismissed.
3. The counterclaim and third party claim are dismissed.
4. The parties shall each bear their respective costs including attorneys' fees.

FORUM FEES

Pursuant to Section 43(c) of the Code of Arbitration Procedure, forum fees are assessed as follows:

Claimant:

| | |
|------------------------------|------------|
| One session at \$200/session | \$200 |
| Credit for deposit | <u>200</u> |
| Balance due | 0 |

Respondents Piper Jaffray and Marty Wick (jointly and severally):

| | |
|------------------------------|------------|
| One session at \$200/session | \$200 |
| Credit for deposit | <u>350</u> |
| Refund due | \$150 |

ARBITRATOR'S SIGNATURE

Katherine Hendricks

Public Arbitrator


Katherine Hendricks

Date of Decision: 9/11/92

Served September 24, 1992