

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

National Association of
Securities Dealers, Inc.
NASD Financial Center
33 Whitehall Street
New York, N.Y. 10004
FAX (212) 858-4389

In the Matter of the Arbitration Between

Name of Claimants

Eastside Medical Services, P.C. Pension Trust
M.S. Jafri, M.D., Trustee

91-02196

Name of Respondents

Kidder, Peabody & Co., Incorporated
Peter Mott

REPRESENTATION

For Claimants Eastside Medical Services, P.C. Pension Trust, M.S. Jafri, M.D., Trustee ("Claimants"): Jeffry M. Bauer, a sole practitioner.

For Respondents Kidder, Peabody & Co., Incorporated ("Kidder") and Peter Mott ("Mott"): Richard Kelly, of Kidder.

CASE INFORMATION

Statement of Claim filed: July 2, 1991.

Amended Statement of Claim filed: January 8, 1992.

Claimants' Submission Agreement signed on: July 2, 1991.

Joint Statement of Answer filed by Respondents on: September 26, 1991.

Respondent Kidder's Submission Agreement signed on: September 26, 1991.

Respondent Mott's Submission Agreement signed on: November 8, 1991.

HEARING INFORMATION

Hearing Date/Sessions: May 1, 1992/2 sessions.

Hearing Location: Southfield, MI.

CASE SUMMARY

Claimant Eastside Medical Services, P.C. ("Eastside") alleged its accounts with Respondents were non-discretionary. Claimant Jafri alleged he wrote letters of complaint to Mott and Silas Galthart, Executive Vice-President of Kidder, regarding unauthorized trades. During the hearing on May 1, 1992, Claimants withdrew all claims other than that of unauthorized trading.

Respondents alleged Jafri failed to specify which trades were unauthorized and requested Jafri set forth with specificity the trades he claimed were

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AWARD
#91-02196
Page Two

unauthorized. Respondents maintained all trades in the accounts were made with Jafri's knowledge and approval and that he received confirmations of each trade. Respondents asserted Jafri never complained about unauthorized trades while he had accounts with Kidder.

RELIEF REQUESTED

Claimants requested: actual damages in excess of \$143,725.00; interest; costs and attorneys' fees.

Respondents requested: the claim be dismissed in its entirety; fees and expenses.

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.

1- At the hearing on May 1, 1992, Claimants withdrew all claims against Respondents with the exception of the claim of unauthorized trading.

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- The claims of the Claimants are dismissed;
- 2- All other claims are dismissed;
- 3- Each party shall bear its own expenses, including attorneys' fees.

FORUM FEES

Pursuant to Section 43c of the Code of Arbitration Procedure, the NASD shall retain the \$120.00 non-refundable filing fee previously deposited by Claimants and the following Forum Fees are assessed.

2 sessions X \$400.00 = \$800.00 minus hearing session deposit of \$400.00 = net \$400.00 due.

Forum fees Assessed Against:

- 1- Claimants, in the amount of \$400.00; however, in lieu of payment the NASD

AWARD

#91-02196

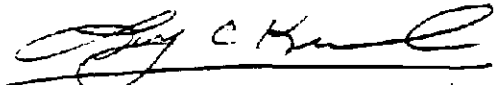
Page Three

shall retain the \$400.00 hearing session deposit previously deposited;

2- Respondents, jointly and severally, in the amount of \$400.00.

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

Concurring Arbitrators' Signatures



LARRY C. KROUT / INDUSTRY ARBITRATION

Date of Decision: June 16, 1992

AWARD

#91-02196

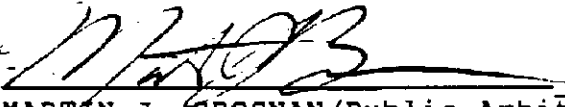
Page Three

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A handwritten signature in dark ink, appearing to read "M. Brosnan", with a horizontal line drawn underneath it.

MARTIN J. BROSINAN/Public Arbitrator

Date of Decision: June 16, 1992

AWARD
#91-02196
Page Three

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