

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

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In the Matter of the Arbitration Between

Name of Claimants

Tetsuo T. Shono  
Yoko R. Shono

vs.

NASD #91-03666

Name of Respondents

Bateman Eichler, Hill Richards, Inc.

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REPRESENTATION

For Claimants: Tetsuo T. Shono

For Respondent: Jon L. Rawinski, Esq., Kindel & Anderson,  
Los Angeles, California

CASE INFORMATION

Statement of Claim filed: November 20, 1991

Claimants' Submission Agreement signed: October 22, 1991

Statement of Answer and Counterclaim filed: January 17, 1992

Supplemental Answer and Counterclaim filed: June 23, 1992

Respondent's Submission Agreement signed: None submitted.

HEARING INFORMATION

Hearing Date/ Sessions: July 1, 1992 (two sessions)  
July 2, 1992 (two sessions)

Hearing Location: Los Angeles, California

CASE SUMMARY

Claimants alleged breach of fiduciary duty and lack of suitability with respect to investments in commodities (silver futures).

Respondents denied the allegations, denied liability for any of Claimants' losses incurred in the trading of commodities and asserted a counterclaim for the debit balance in Claimants' account.

RELIEF REQUESTED

Claimants requested damages of approximately \$201,000.00.

Respondent requested dismissal of all claims, and an award on the counter claim of \$3,250.00.

OTHER ISSUES CONSIDERED & DECIDED

At hearing, Respondent's Motion to Dismiss on statute of limitations grounds was denied.

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.

ISSUES

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. Respondent is liable for and shall pay to Claimants the sum of \$50,000.00 without interest.
2. Respondent's counterclaim is dismissed.
3. The parties shall each bear their respective costs including attorneys' fees.

OTHER COSTS

None.

FORUM FEES

Pursuant to Section 43c of the Code of Arbitration Procedure, the forum fees are to be split equally between the parties. The assessment is calculated as follows:

Total assessment of forum fees:

|                                      |             |
|--------------------------------------|-------------|
| four (4) sessions @ \$750.00/session | \$ 3,000.00 |
| Claimants' one-half share            | \$ 1,500.00 |
| Credit for deposit                   | 750.00      |
| Balance due                          | \$ 750.00   |
| Respondents' one-half share          | \$ 1,500.00 |
| Credit for deposit                   | 300.00      |
| Balance due                          | \$ 1,200.00 |

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

ARBITRATION PANEL

Name

Public/Industry

Concurring Arbitrators' Signatures

Bernard Segalin  
Ronald L. Cameron  
Roberta Haft

Public Arbitrator  
Public Arbitrator  
Industry Arbitrator

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Bernard Segalin

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Ronald L. Cameron

  
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Roberta Haft

Date of Decision: \_\_\_\_\_

Served August 4, 1992