

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant(s)

Diah Thabet

vs.

92-00773

Name of Respondent(s)

Dean Witter Reynolds, Inc.

Robert Inbody

Thomas Monahan

REPRESENTATION

For Claimant: Paul W. Thomas, Esq., Carlsbad, California

For Respondents: Michael J. Abbott, Esq., Jones, Ball, Simpson & Abbott, Los Angeles, California

CASE INFORMATION

Statement of Claim filed: March 3, 1992

Claimant's Submission Agreement signed on: February 26, 1992

Joint Statement of Answer filed by Respondents: April 27, 1992

Respondents' Submission Agreements signed as follows:

Dean Witter Reynolds, Inc: April 23, 1992

Robert Inbody: May 5, 1992

Respondent Thomas Monahan did not submit a Submission Agreement. However, he appeared at the hearing and is subject to National Association of Securities Dealers, Inc. (NASD) jurisdiction in accordance with Section 12 of the Code of Arbitration Procedure.

HEARING INFORMATION

Prehearing Conference(s) Date(s) Sessions: December 29, 1992 (one session)

Hearing Dates/Sessions: January 4, 1993 (two sessions)

January 5, 1993 (two sessions)

January 6, 1993 (two sessions)

January 7, 1993 (two sessions)
January 8, 1993 (three sessions)

Hearing Location: San Diego, California

CASE SUMMARY

Claimant alleged that Respondents violated the NASD Rules of Fair Practice concerning customer suitability and alleged violations of Title 10, California Code of Regulations. Claimant further alleged failure to supervise, negligence, misrepresentations and overtrading with respect to Claimant's option account.

Respondents denied each and every allegation of wrongdoing set forth in Claimant's Statement of Claim and alleged that Claimant was fully informed about the risks of options trading.

RELIEF REQUESTED

Claimant requested:

1. Actual damages in the amount of \$400,000.00;
2. Punitive damages in the amount of \$100,000.00;
3. Costs;
4. Interest; and
5. Attorney's fees.

Respondents requested:

1. Dismissal of Claimant's claims;
- 2. Attorney's fees; and
- : 3. 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. Respondent Thomas Monahan is solely liable for and shall pay to Claimant the sum of \$30,000.00, in satisfaction of Claimant's claims.

2. Claimant's claim for punitive damages is denied.

3. Each and every claim of Claimant against Respondent Dean Witter Reynolds, Inc. is dismissed.

4. Each and every claim of Claimant against Respondent Robert Inbody is dismissed.

5. The parties shall each bear their respective costs including attorney's fees.

OTHER COSTS

None.

FORUM FEES

Pursuant to Section 43c of the Code of Arbitration Procedure, the following forum fees are assessed: The NASD shall retain the \$750.00 hearing session deposit previously deposited by the Claimant. Forum fees are to be split between the parties and are calculated as follows:

One pre-hearing session	@ \$300.00/session	=	\$ 300.00
Eleven hearing sessions	@ \$750.00/session	=	<u>\$8,250.00</u>
Total fees assessed		=	\$8,550.00
Claimants' share (50%)		=	\$4,275.00
Credit for hearing deposit		=	\$ 750.00
Balance due		=	\$3,525.00
Respondents' share, jointly and severally, (50%)		=	\$4,275.00
Balance due		=	\$4,275.00

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

ARBITRATION PANEL

Public/Industry

Public Arbitrator
Public Arbitrator
Industry Arbitrator

ure

Audrey H. Ruben
Audrey H. Ruben, Esq.

Date Served 02/09/93

Date of Decision: _____