

**N.A.S.D. AWARD**

**NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.**

In the matter of the Arbitration Between

**Name of Claimant**

Stanley Abrams, individually and  
as trustee of the Stanley Abrams, P.C., Profit Sharing Plan and Trust

NASD Arbitration  
No. 92-01788

**Name of Respondents**

Piper, Jaffray & Hopwood, Inc.  
Howard Liebreich

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**REPRESENTATION**

For Claimant: Gary M. Berne, Esq., Stoll Stoll Berne & Lokring, P.C., Portland, Ore.

For Respondent: Piper, Jaffray & Hopwood, Inc. - Barnes H. Ellis, Esq., Steel River Boley  
Jones & Gray, Portland Ore.

For Respondent Howard Liebreich - Daniel H. Skeritt, Esq., Ater Wyne Hewitt Dodson  
& Skeritt, Portland, Ore.

**CASE INFORMATION**

Statement of Claim filed: May 28, 1992

Claimant's Submission Agreement signed: May 26, 1992

Statement of Answer filed by Respondent: Piper, Jaffray & Hopwood, Inc., September 21,  
1992

Statement of Answer filed by Respondent: Howard Liebreich, September 14, 1992

Respondent, Piper, Jaffray & Hopwood's Submission Agreement signed: July 27, 1992

Respondent, Howard Liebreich's Submission Agreement signed: September 11, 1992

Cross-Claim - Piper, Jaffray & Hopwood, Inc. against Howard Liebreich filed August 11, 1993

Cross-Claimant, Howard Liebreich's Reply to Piper Cross-Claim and Cross-Claim against Piper  
filed August 5, 1993

### HEARING INFORMATION

Pre-Hearing Conference Date / Session: May 3, 1993 - One Session

Hearing Dates / Sessions: September 28, 1993 - Two Sessions  
September 29, 1993 - Two Sessions  
September 30, 1993 - Two Sessions  
October, 1, 1993 - Two Sessions

Hearing Location: Portland, Oregon

### CASE SUMMARY

Claimant alleged that Respondent, Howard Liebreich, while employed by Piper, Jaffray & Hopwood, Inc., made unsuitable and unauthorized investments in Claimant's account.

Respondent, Piper, Jaffray, denied each and every allegation of the claim and cross-claimed against Liebreich for indemnification.

Respondent, Liebreich, alleged that Claimant was fully aware of the nature of the trading in the accounts and willingly accepted the risks involved. Liebreich also cross-claimed against Piper for indemnification.

### RELIEF REQUESTED

Claimant seeks to recover damages according to proof, return of commissions, trading profits, markups and margin interest paid, treble damages under federal and Oregon RICO, punitive damages and attorneys' fees.

Respondent, Piper, seeks dismissal of the claim in its entirety, attorneys' fees, costs, and indemnification by way of cross-claim.

Respondent, Liebreich, seeks dismissal of the claim in its entirety, attorneys' fees, costs, and indemnification by way of cross-claim.

### OTHER ISSUES CONSIDERED AND DECIDED

The parties have agreed that the Award in this matter may be executed in either 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 original remains 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, Piper, Jaffray & Hopwood, Inc., is solely liable and shall pay to Claimant, Stanley Abrams, the sum of \$34,160.00 (Thirty Four Thousand, One Hundred Sixty Dollars and No Cents).
2. Respondent, Howard Liebreich, is solely liable and shall pay to Claimant, Stanley Abrams, the sum of \$136,640.00 (One Hundred Thirty Six Thousand, Six Hundred Forty Dollars and No Cents).
3. Each and every Cross-Claim filed by Respondents as against each other is dismissed.
4. All claims for RICO and punitive damages are dismissed.
5. The parties shall each bear their respective costs and fees, including attorneys fees.

### FORUM FEES

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

Total fees:

One Pre-hearing conference session @ \$300.00 / session	=	\$300.00
Eight Hearing sessions @ \$1,000.00 / session	=	\$8,000.00
Less Hearing Session Deposit, previously deposited	=	(\$1,000.00)
Balance due	=	\$7,300.00

Respondent Piper, Jaffray & Hopwood, Inc. is solely assessed remaining fees in the amount of \$7,300.00 as outlined above.

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

**ARBITRATORS**

<u>Name</u>	<u>Public / Industry</u>
Judith Swinney, Esq.	Public Chairperson
Walter Middlecamp	Industry Panelist
Gordon MacMillan	Public Panelist

**Concurring Arbitrators' Signatures**

Walter Middlecamp

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**Served 11/23/93**