

**N.A.S.D. AWARD****NATIONAL ASSOCIATION OF SECURITIES DEALERS**

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In the Matter of the Arbitration Between

Name of Claimant

Tom Forsythe

Case No. 92-01851

Name of Respondent(s)

RAS Securities Inc.  
Ray Dirks

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**REPRESENTATION**

For Claimant, Tom Forsythe ("Forsythe"): pro se.

For Respondents, RAS Securities Corp. ("RAS") and Ray Dirks ("Dirks"):  
Theresa I. Yard, Esq. of Kelley, Drye and Warren.

**CASE INFORMATION**

Statement of Claim filed: June 2, 1992. Claimant Submission Agreement signed:  
May 27, 1992.

Respondents, RAS and Dirks, Statement of Answer filed: November 5, 1992.  
Respondents Submission Agreement signed: July 31, 1992 by Robert L. Goss on  
behalf of RAS, and on July 31, 1992 by Dirks.

**HEARING INFORMATION**

This matter was scheduled for hearing on April 16, 1993 and postponed to May  
20, 1993. Prior to the hearing, the Claimant requested that the matter be decided  
on the pleadings and documentary evidence submitted. Pursuant to the agreement  
of the parties the hearing was canceled and this matter was decided on the papers.

**CASE SUMMARY**

Claimant alleged that his stockbroker, Ray Dirks of RAS engaged in unauthorized  
trading of his account by purchasing 3000 additional shares of Clinipor, Inc.;

that in order to pay for those purchases, Wagner Scott Clearing Corporation partially liquidated Claimant's account, constituting a fraudulent confiscation; that Respondents made a material omission regarding pending lawsuits filed against Clinicorp, Inc.; and, that account statements and confirmations were never dispatched.

Respondents denied all allegations of wrongdoing and alleged that Claimant specifically authorized the purchase of Clinicorp Securities for his account, promising to transfer sufficient funds to pay for his purchases; that since payment was not forthcoming, Claimant's account was partially liquidated properly and lawfully according to Regulation T of the Federal Reserve Board; that at all times Claimant was sent monthly account statements and confirmations of all transactions; and, that Claimant's complaint fails to allege facts or otherwise set forth a course of action upon which relief can be granted.

#### **RELIEF REQUESTED**

Claimant requested an award of damages of \$10,000.00.

Respondents requested dismissal.

#### **OTHER ISSUES CONSIDERED & DECIDED**

None.

#### **AWARD**

The undersigned arbitrator having considered the proof of the parties, has decided in full and final resolution of the issues submitted for determination as follows:

1. Respondents, RAS and Dirks, are found not liable and, therefore, all claims against them are hereby dismissed.
2. The parties shall each bear all other costs and expenses incurred by them in connection with this proceeding.
3. The NASD, Inc. shall retain \$75.00 of the \$150.00 filing fee previously deposited by Claimant, and shall refund the remaining \$75.00 to the Claimant.

**OTHER COSTS**

None.

**AFFIRMATION**

I, STEVEN D. ELIAS, do hereby affirm upon my oath as arbitrator that I am the individual described herein and who executed this instrument, which is my oath and award.

/s/  
Signature of Arbitrator

DATE OF DECISION: 9/7/93Dated by NASD, Inc.: 9/7/93

\*\*\*END\*\*\*