

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Fredric Apt

vs.

NASD #93-01172
AWARD

Name of Respondents

PaineWebber, Inc.
Financial West Group
Douglas C. Waisner
Donald G. Brooks

REPRESENTATION

For Claimant: Dennis R. Villavicencio, Esq., Law Offices of John Lawrence Allen, Carlsbad, California

For Respondents PaineWebber, Financial West Group and Douglas Waisner: H Thomas Fehn, Esq., Fields, Fehn & Sherwin, Los Angeles, California.

For Respondent Donald Brooks: Donald Brooks appeared in pro per.

CASE INFORMATION

Statement of Claim filed: March 26, 1993

Claimant's Submission Agreement signed: March 22, 1993

Statement of Answer filed by

PaineWebber:	June 1, 1993
Financial West:	May 18, 1993
Douglas Waisner:	May 18, 1993
Donald Brooks:	May 7, 1993

Respondents' Submission Agreements signed:

PaineWebber:	May 11, 1993
Financial West:	May 17, 1993
Douglas Waisner:	May 14, 1993
Donald Brooks:	May 4, 1993

HEARING INFORMATION

Pre-hearing Telephone Conference date/session:
February 10, 1994 (one session)

Hearing Date/(Sessions): February 17, 1994 (two sessions)

Hearing Location: Los Angeles, California.

CASE SUMMARY

Claimants alleged lack of suitability with respect to the investment of IRA funds in Leap Options for common shares of Bristol-Myers-Squibb stock. Claimant alleged Respondents failed to disclose the risks of the investment and failed to monitor his account.

Respondent PaineWebber asserted that it was merely the clearing house for Financial West Group, and as such, has no responsibility or liability to claimant for the actions of its correspondent fully-disclosed broker-dealers.

Respondents Financial West and Waisner asserted that claimant made his own investment decisions.

Respondent Brooks indicated he had ceased to be an officer of Financial West Group in December of 1992, and had no supervisory responsibilities thereafter.

RELIEF REQUESTED

Claimant requested damages of approximately \$34,000 plus punitive damages.

Respondents requested dismissal of all claims.

OTHER ISSUES CONSIDERED & DECIDED

At hearing, the parties agreed to proceed with a panel of two arbitrators.

Upon motion, Donald G. Brooks was removed as a Respondent.

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 the 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. All Claims asserted against PaineWebber and Douglas C. Waisner are dismissed in their entirety.

2. Respondent Financial West Group is liable for and shall pay to Claimant the sum of \$18,000 exactly.

3. The claim for punitive damages is dismissed.

4. 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 The National Association of Securities Dealers, Inc. shall retain the \$120 non-refundable filing fee previously paid by Claimant, as well as the \$400 hearing session fee as an assessment of forum fees for 1 session.

In addition, Respondent Financial West Group is assessed \$400 as forum fees for 1 session.

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

ARBITRATION PANEL

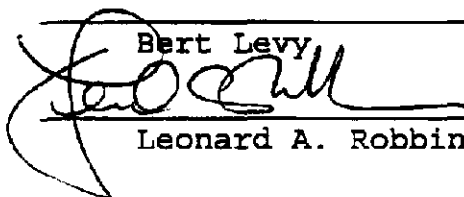
Name

Public/Industry

Bert Levy
Leonard A. Robbins

Public Arbitrator
Industry Arbitrator

Concurring Arbitrators' Signature


Bert Levy
Leonard A. Robbins

Date of Decision: _____

Served 3/18/94