

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the matter of the Arbitration Between

Name of Claimant

David M. Reynolds

NASD Arbitration
No. 93-04750

Name of Respondent

Cedd Moses

REPRESENTATION

For Claimants: In Pro Se

For Respondent: Steven A. Lamb, Esq. - Paul, Hastings, Janofsky & Walker -
Los Angeles, California

CASE INFORMATION

Statement of Claim filed: November 16, 1993

Claimant's Submission Agreement signed: November 12, 1993

Statement of Answer filed by Respondent: January 6, 1994

Respondents' Submission Agreement signed: December 10, 1993

HEARING INFORMATION

Hearing Dates / Sessions: October 11, 1994 - One Session
October 12, 1994 - Two Sessions

Hearing Location: Los Angeles, California

CASE SUMMARY

Claimant, David M. Reynolds (Reynolds), alleged that he purchased a market timing forecast from Respondent, Cedd Moses (Moses) and that Moses knew that the forecast was used for the purpose of speculating in the SP 500 futures market. Reynolds also alleged that Moses did not always inform Reynolds of changes in the market position in a timely manner. As a result of the failure to comply with the agreement, Reynolds claims that damages were incurred.

Respondent alleged that Reynolds never bought a "market timing forecast" or a "timing signal". Claimant it is alleged bought a service which was designed by Moses and is based on a system whereby Moses analyzes a set of market variables to ascertain at what point, mutual funds should be transferred to cash and vice versa. Respondent asserts that he does not sell the mutual fund timing signal for use by clients trading away and that, by the terms of the agreement, Reynolds agreed to hold Moses harmless for any losses in any of Claimant's accounts due to the timing of the signals.

RELIEF REQUESTED

Claimant seeks to recover actual damages of \$47,332.00, lost anticipated gains of \$287,000.00, and \$500,000.00 for pain and suffering. Claimant also seeks pain, suffering, medical and punitive damages against the firm of Paul, Hastings, Janofsky & Walker (non-respondents).

Respondent seeks dismissal of the claim in its entirety, attorneys' fees, costs, sanctions against Claimant pursuant to California Code of Civil Procedure Section 128.5 because the claim was brought without probable cause and because such actions are frivolous and in bad faith.

OTHER ISSUES CONSIDERED AND 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 original remains on file with the NASD.

1. Prior to the hearing, Claimant withdrew all claims against the firm of Paul, Hastings, Janofsky & Walker, and Steven A. Lamb, Esq.

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 against the firm of Paul, Hastings, Janofsky & Walker and Steven A. Lamb, Esq. were withdrawn by Claimant.
2. Each and every claim of Claimant, David M. Reynolds, against Respondent, Cedd Moses, is dismissed.
3. 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,

1. Claimant, David M. Reynolds, is assessed the sum of \$1,125.00 representing one-half of the total of \$2,250.00 assessed for 3 hearing sessions at \$750.00 each.
2. Respondent, Cedd Moses, is assessed the sum of \$1,125.00.

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

ARBITRATORS

<u>Name</u>	<u>Public / Industry</u>
Charles Behm	Public Arbitrator
Bernard Segelin	Public Arbitrator
Robert Taylor	Industry Arbitrator

Concurring Arbitrators' Signatures

Charles Behm

Bernard Segelin

Bernard Segelin

Robert Taylor

Date Served: 10-31-94

Concurring Arbitrators' Signatures

Charles Behm

Charles Behm

Bernard Segelin

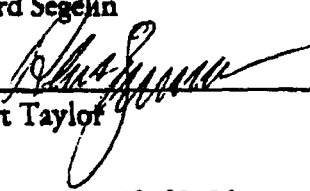
Robert Taylor

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Charles Behm

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Robert Taylor

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