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N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the matter of the Arbitration Between

Name of Claimants

Howard and Marianne Dranow

NASD Arbitration
No. 93-04819

Name of Respondents

Drake Capital Securities, Inc.
Craig Cryer

REPRESENTATION

For Claimants: Bruce R. Safran, Esq., Tarzana, California

For Respondent Drake Capital: H Thomas Fehn, Esq., Fields, Fehn & Sherwin, Los Angeles, California

Respondent Craig Cryer represented himself after the initial filing of pleadings.

CASE INFORMATION

Statement of Claim filed: November 19, 1993

Claimants' Submission Agreement signed: October 12, 1993

Joint Statement of Answer filed: January 12, 1994

Respondents' Submission Agreements signed:

Drake Capital: January 12, 1994

Craig Cryer: January 12, 1994

HEARING INFORMATION

The evidentiary hearing was held on March 30, 1995, in Los Angeles, California, and lasted 2 sessions.

CASE SUMMARY

Claimants alleged misrepresentation, unauthorized trading, failure to supervise, breach of contract and breach of fiduciary duty in connection with investments in common stocks.

Respondents denied the allegations of wrongdoing, and asserted that Claimant was fully aware of the activity in his account and knowingly continued to expose himself to market risk through aggressive trading of the account.

RELIEF REQUESTED

Claimants requested damages of \$146,271.00, plus interest, punitive damages, costs of arbitration and attorney's fees.

Respondents requested dismissal of all claims.

OTHER ISSUES CONSIDERED AND DECIDED

The evidentiary hearing in this matter was scheduled to begin on March 28, 1995; when one of the arbitrators failed to appear, the parties agreed to convene on March 30 with another arbitrator to assume that arbitrator's position on the panel. Although all parties arrived at the hearing location on March 28, Respondent Cryer left shortly after arriving. The panel determined that it had jurisdiction over Mr. Cryer based on his Statement of Answer and Submission Agreement and knowledge of the rescheduled hearing.

The parties present at the hearing 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. Respondents Drake Capital Securities and Craig Cryer are jointly and severally liable for and shall pay to Claimants the sum of \$34,300.00.
2. In addition to the amount awarded above, Respondent Craig Cryer is individually

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liable for and shall pay to Claimants the sum of \$15,000.00.

3. The claim for punitive damages is dismissed.
4. The parties shall each bear their respective costs, including attorney's fees.

FORUM FEES

Pursuant to Section 43(c) of the Code of Arbitration Procedure, the NASD shall retain the \$200.00 non-refundable filing fee previously paid, but shall refund Claimants' \$750.00 hearing session deposit.

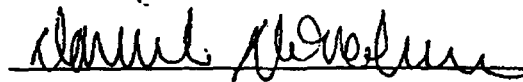
Respondents are jointly and severally assessed forum fees of \$1,500.00 for 2 hearing sessions.

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

ARBITRATORS

<u>Name</u>	<u>Public / Industry</u>
Daniel K. Donahue	Public Chairperson
Elliott Finkel	Public Panelist
Robert Taylor	Industry Panelist

Concurring Arbitrators' Signatures

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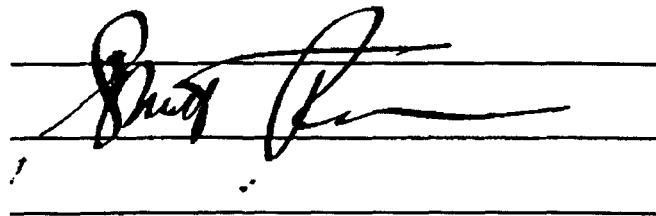
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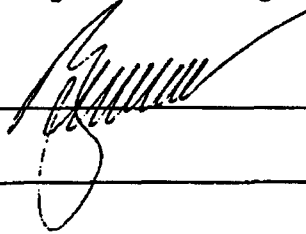
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