

**NATIONAL ASSOCIATION OF SECURITIES DEALERS
AWARD**

In the Matter of the Arbitration Between

David Ariss,

Claimant,

v.

NASD No. 94-359

Robert Thomas Securities, Inc., Raymond James
and Associates, Inc., Anas Taraji, Flora Brody,
individually and as Administrator of the Estate
of Heywood Brody, Deceased,

Respondents.

Representation

For Claimant: Lawrence Phillips, Esq. of Bizar & Martin, New York, New York

For Respondent Robert Thomas Securities, (RTS) Raymond James & Associates (RJA) and
Anas Taraji (Taraji): John Lutz, Esq., and Otto Hilbert, Esq. of LeBoeuf, Lamby, Greene and
MacRae, Denver, Colorado

For Respondent Flora Brody (Brody): Jeffrey Barr, Esq., New York, New York. The
arbitration was stayed as to Brody based on the filing of a bankruptcy petition.

Case Information

Statement of Claim filed: January 25, 1994

Claimant's Submission Agreement signed: January 27, 1994

Statement of Answer filed by Respondents RTS, RJA and Taraji on: April 18, 1994

Statement of Answer filed by Brody on: April 22, 1994

Respondents' Submission Agreement signed on: Taraji - April 14, 1994, RTS - April 15,
1994, RJA - April 15, 1994

Hearing Information

Prehearing Conference Date(s)/Sessions: None

Hearing Date/Sessions: March 7/one, 8/two, 9/two, 30/two, 1995

Hearing Location: Los Angeles, California

Case Summary

Claimant alleged:

Fraud and unauthorized trading in the purchase of stock and warrants of Millfield Trading Co, Inc. (MTC). Claimant David Ariss (Ariss) became a customer of RTS in September 1990. Ariss opened an account with Whale Securities, Co., L.P (Whale) after being solicited by Heywood Brody (H. Brody). He listed his liquid assets at \$200,000 and real estate at one million dollars.

Flora Brody (F. Brody) was listed as his registered representative at Whale. H. Brody had Ariss invest heavily into MTC, so that by September 1990 he had \$500,000 worth of stock and warrants. The stock and warrants were then partially transferred to RTS, that cleared through its parent RJA, for the stated reasons that subsequent purchases of MTC would be restricted, to resolve regulatory problems and improve marketability. Claimant was advised to use Taraji, an RTS broker, to open his account with RTS. Another account was opened at Ladenburg Thalman and the MTC stock and warrants transferred there. Those transfers were actually effected to manipulate the price of MTC, an action from which Respondent profited.

Respondent Brody denied all allegations of wrongdoing and the arbitration was stayed as to her due to her bankruptcy petition filed in the Southern District of New York (Case No. 92 B 46249 PBA).

Respondents RTS, RJA and Taraji denied all allegations of wrongdoing and alleged:

H. Brody never worked for RTS or RJA. Taraji took instructions only from Ariss regarding the transfer of his account and received written authorization to have RJA receive his stock. Ariss directed that he would initially margin the MTC stock. Certain other customers, including H. Brody, opened accounts with Taraji and transferred in MTC stock. RTS and RJA subsequently decided they would no longer margin MTC stock. When Ariss did not take any action to pay off his debit balance, (margin loan) RJA liquidated his MTC stock.

Relief Requested

Claimant requested:

1. Compensatory damages of \$300,000;
2. Lost opportunity damages;
3. Costs and attorney's fees;
4. Interest.

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 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. Each and every claim is dismissed
2. The parties shall each bear their respective attorney's fees;
3. The parties shall each bear their respective costs.

Other Costs

None.

Forum Fees

Pursuant to Section 43(c) of the Code of Arbitration Procedure, the following forum fees are assessed: The National Association of Securities Dealers, Inc., shall retain the \$750 hearing session deposit previously paid by the claimant. Forum fees are assessed against:

Claimant for \$5,250, minus \$750 already paid,

calculated as follows: seven hearing sessions at \$750/hearing session, equals \$5,250.

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

Arbitration Panel

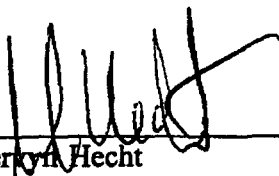
Name

Public/Industry

Mervyn Hecht
Robert Vernon
Luther D. Prater

Public
Public
Industry

Concurring Arbitrators' Signatures



Mervyn Hecht

Robert Vernon

Luther D. Prater

Served 4/19/95

Date of Decision:

Arbitration Panel

<i>Name</i>	<i>Public/Industry</i>
Mervyn Hecht	Public
Robert Vernon	Public
Luther D. Prater	Industry

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