

NASD REGULATION, INC. AWARD

In the Matter of the Arbitration Between

Name of Claimant

Kathleen Anderson

45 01780

Name of Respondents

Berkeley Securities Corp.
Eric S. Williams

REPRESENTATION

For claimant Kathleen Anderson ("claimant") appeared Morgan W. Bentley, Esq., with law offices located in Newark, New Jersey.

No representative appeared at the hearing on behalf of respondent Berkeley Securities Corp. ("Berkeley").

Respondent Eric S. Williams ("Williams") appeared pro se.

CASE INFORMATION

Statement of Claim was filed on April 6, 1995. Claimant's Submission Agreement was signed on April 3, 1995.

Statement of Answer was filed by Berkeley on July 26, 1995. Berkeley's Submission Agreement was signed on July 26, 1995.

Statement of Answer was filed by Williams on July 26, 1995. Williams' Submission Agreement was signed on July 26, 1995.

HEARING INFORMATION

Hearing Date/Sessions: September 15, 1997 One Session

The hearing was conducted at the offices of NASD Regulation, Inc. located in New York, New York.

CASE SUMMARY

Claimant alleged that Berkeley and Williams made unsuitable investment recommendations and purchases based upon her financial status, financial need, and investment objectives. Claimant further alleged that respondents invested all of her liquid assets in speculative and unsuitable securities. Claimant asserted that respondents did not explain to her the risks of speculative securities, and that she relied on their assurances that the securities bought for her account had minimal risk. Claimant further asserted that respondents used high pressure tactics to induce her to purchase the securities which they were recommending. Claimant also alleged that, when she tried to sell her investment, she was pacified by respondents and held the securities, but that she relied on their assurances to her detriment.

Respondents maintained that claimant approached them in order to open an account and participate in an IPO of Classics which her brother-in-law, an employee of Classics, had recommended. Respondents maintained that claimant was kept well informed of the investment by both themselves and her brother-in-law. Respondents further maintained that claimant expressed interest in purchasing other securities, and that Williams recommended securities he and Berkeley felt would be successful. Respondents maintained that, before she invested, claimant was sent information about the risks involved and the prospectus of the company in which she expressed interest. Respondents further maintained that the sales made were unsolicited and that claimant made all investment decisions. Respondents denied that they withheld or misrepresented information to claimant and further denied that they used high pressure tactics to induce claimant to either purchase or hold an investment.

RELIEF REQUESTED

Claimant requested damages in excess of \$15,000.00 plus costs and attorneys' fees.

Berkeley and Williams requested that the Statement of Claim be dismissed in its entirety.

OTHER ISSUES CONSIDERED & 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. The panel finds that claimant failed to prove her case against respondents Berkeley and Williams, and, therefore, all of claimant's claims are dismissed in their entirety.

2. Each party shall bear their respective costs, except that Respondent Williams is liable for and shall pay to Claimant the sum of \$200.00 to reimburse Claimant for a portion of the fees Claimant previously paid to NASD Regulation, Inc.
3. All other claims are hereby denied.

FORUM FEES

Pursuant to Rule 10332(c) of the Code of Arbitration Procedure, the arbitrators have determined that the NASD Regulation, Inc. will retain the \$100.00 non-refundable filing fee and have assessed the following forum fees:

1 hearing session x \$400.00

1. Claimant is hereby liable for the sum of \$200.00, representing one-half of the total amount of forum fees assessed. Claimant previously deposited \$400.00 with NASD Regulation, Inc., and, therefore, Claimant owes nothing by way of forum fees.
2. Respondent Williams is liable for the sum of \$200.00, representing one half of the total amount of forum fees assessed. Respondent Williams shall pay this sum to Claimant as provided in the "Award" section above.

Arbitrators' Signatures

Diane Getzler, Esq.

Diane Getzler, Esq.
Chairperson-Public Arbitrator

Jonathan S. Liebowitz, Esq.
Public Arbitrator

Malcolm J. Irving
Industry Arbitrator

Date of Decision: December 16, 1997

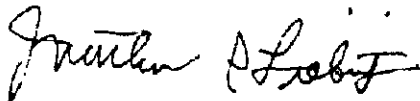
I, Diane Getzler, Esq., do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein, and who executed this instrument which is my award.

Diane Getzler, Esq.

Diane Getzler, Esq.

Arbitrators' Signatures

Diane Getzler, Esq.
Chairperson-Public Arbitrator

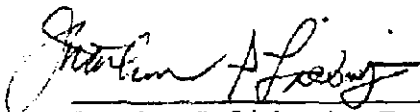


Jonathan S. Liebowitz, Esq.
Public Arbitrator

Malcolm J. Irving
Industry Arbitrator

Date of Decision: December 16, 1997

I, Jonathan S. Liebowitz, Esq., do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein, and who executed this instrument which is my award.

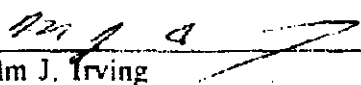


Jonathan S. Liebowitz, Esq.

Arbitrators' Signatures

Diane Getzler, Esq.
Chairperson-Public Arbitrator

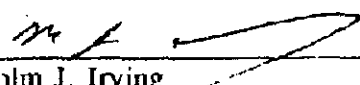
Jonathan S. Liebowitz, Esq.
Public Arbitrator



Malcolm J. Irving
Industry Arbitrator

Date of Decision: December 16, 1997

I, **Malcolm J. Irving**, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein, and who executed this instrument which is my award.



Malcolm J. Irving