

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

The Chan Trust, Jerry Yuen Chan, Trustee

95-02094

Name of Respondents

Piper Jaffray, Inc.
Penny Chin

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on May 2, 1995, Claimant The Chan Trust, Jerry Yuen Chan, Trustee, who appeared Pro Se, alleged that Respondents Piper Jaffray, Inc. ("PJI") and Penny Chin ("Chin"), recommended unsuitable securities, made misrepresentations, churned his account and breached their fiduciary duties. Claimant further alleged that he informed Respondent Chin, a representative of Respondent PJI, that his investment objectives were, in order of priority, safety of principle, income, conservative long-term growth and speculation on a very limited basis. Claimant contended that Chin recommended investments in Piper Jaffray ("PJC"), NEXTEL Communications ("CALL"), Acclaim Entertainment ("AKLM") and Marlon Merrell Dow ("MKC"), all of which resulted in losses. Claimant further contended that Respondents took advantage of him at a time when he was undergoing continuous therapy and on heavy medication. Claimant alleged that Respondent PJI delayed sending out stock certificates to him as directed. As a result of the above, Claimant alleged that he has suffered a loss for which Respondents should be held liable.

Respondents Piper Jaffray, Inc. and Penny Chin, through their representative, Mark S. Reed, Esq., in-house counsel for PJI, maintained that Claimant had an extensive history of purchasing similar investments to those at issue in his claim prior to opening an account at PJI. Respondents further maintained that Claimant had previously purchased two of the securities at issue in this arbitration. Respondents contended that all transaction were discussed thoroughly with Claimant before they were entered and the Claimant authorized and approved each transaction. As a result of the above, Respondents maintained that they should not be held liable.

RELIEF REQUESTED

Claimant The Chan Trust, Jerry Yuen Chan, Trustee, requested \$9,999.00 in actual damages.

Respondents Piper Jaffray, Inc. and Penny Chin, requested that the claims of the Claimant be dismissed.

AWARD

Pursuant to Section 13 of the NASD, Inc. Code of Arbitration Procedure, a single Public Arbitrator, Margaret Kallman, was selected to review the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimant The Chan Trust, Jerry Yuen Chan, Trustee, on April 27, 1995, and by the Respondents Piper Jaffray, Inc. and Penny Chin, on August 2, 1995.

And, the Arbitrator, having considered the proof of the parties, has decided and determined in full and final resolution of the issues submitted for determination as follows:

1. The claims of the Claimant The Chan Trust, Jerry Yuen Chan, Trustee, against Respondents Piper Jaffray, Inc. and Penny Chin, are dismissed in their entirety.
2. The parties shall bear their respective costs.
3. The \$150.00 filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimant The Chan Trust, Jerry Yuen Chan, Trustee, shall be retained by the NASD, Inc. Respondents Piper Jaffray, Inc. and Penny Chin, shall pay to the Claimant The Chan Trust, Jerry Yuen Chan, Trustee, \$150.00 as reimbursement of the filing fee.

AFFIRMATION

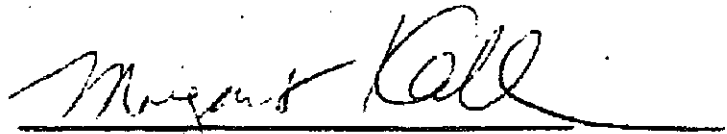
STATE OF

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COUNTY OF

I, MARGARET KALLMAN, do hereby affirm upon my oath as arbitrator that I am the individual described herein and who executed this instrument, which is my oath and award.

A handwritten signature in cursive script, appearing to read "Margaret Kallman", is written over a horizontal line.

Signature of Arbitrator

DATE OF DECISION: December 22, 1995