

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the matter of the Arbitration Between

Name of Claimant(s)

Khosrow Shahroozi

NASD Arbitration
No. 95-03804

Name of Respondent(s)

Kennedy, Cabot & Company

REPRESENTATION

For Claimant: Khosrow Shahroozi, Pro Se
Mission Viejo, California

For Respondent: George H. Kupper, Esq.
Kennedy, Cabot & Company
Beverly Hills, California

CASE INFORMATION

Statement of Claim filed: July 31, 1995

Claimant's Submission Agreement signed: July 29, 1995

Statement of Answer filed by Respondent: March 4, 1996

Respondent's Submission Agreement signed: September 25, 1995

HEARING INFORMATION

Hearing Date / Sessions: March 26, 1996 (1 session)

Hearing Location: Los Angeles, California

CASE SUMMARY

Respondent admittedly erred in recording and advising Claimant of certain of his trading transactions in Atmel stock, resulting in confusion regarding the status of Claimant's account. Claimant reasonably believed that he owned 1,000 share of Atmel purchased on May 26, the same having been confirmed to him. Respondent treated the purchase as a cover of an "unauthorized short" position, caused by confusion arising from Respondent's errors in recording and reporting earlier transactions.

RELIEF REQUESTED

Claimant requested \$16,000, purportedly the difference between his purchase price of 1,000 shares of Atmel and the market price of such shares on July 3, 1995, the date he discovered that he had no credit in his account for the Atmel shares.

OTHER ISSUES CONSIDERED AND DECIDED

The parties have agreed that the Award in this matter may be executed in either 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.

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. Respondent is liable for and shall pay the sum of \$8,287.00, representing the difference between the value of the shares on June 19, 1995 (the date by which Claimant should have discovered the error) and the purchase price on May 26, 1995, less Respondent's commission and miscellaneous charge.
2. The parties shall each bear their respective costs, including attorneys' fees.

FORUM FEES


Pursuant to Section 43(c) of the Code of Arbitration Procedure, forum fees are assessed against the Respondent as follows:

One Hearing Session @ \$300.00	=	\$300.00
Total Forum Fees Assessed	=	\$300.00
Claimant's Credit for Hearing Session Deposit	=	\$300.00
Claimant's Refund Due	=	\$300.00
Respondent's Share of Forum Fees	=	\$300.00
Respondent's Balance Due	=	\$300.00

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

ARBITRATOR

Name	Public / Industry
Kenneth Owen	Public Arbitrator



Kenneth Owen

Date of Decision: April 24, 1996