

**NASD REGULATION, INC.
OFFICE OF DISPUTE RESOLUTION
ARBITRATION AWARD**

NASD REGULATION, INC. OFFICE OF DISPUTE RESOLUTION

In the matter of the Arbitration Between

Name of Claimant

Craig S. Cryer

NASD Regulation, Inc.
Office of Dispute Resolution
Arbitration No. 95-03996

Name of Respondent

Drake Capital Securities, Inc.

REPRESENTATION

For Claimant:

Eileen Spadoni, Esq.
Love & Bosserman
Los Angeles, California

For Respondent:

Jodi S. Cohen, Esq.
Keesal, Young & Logan
Long Beach, California

CASE INFORMATION

Statement of Claim filed:	August 17, 1995
Claimant's Submission Agreement signed:	August 17, 1995
Statement of Answer filed by Respondent:	October 6, 1995
Respondent Submission Agreement signed:	September 29, 1995
Respondent Counter-Claim filed:	November 10, 1995
Claimant's Answer to Counter-Claim filed:	December 19, 1996

HEARING INFORMATION

Hearing Dates / Sessions:

November 12, 1996 (2 Sessions)
November 13, 1996 (2 Sessions)
March 20, 1997 (1 Session)
March 21, 1997 (2 Sessions)
April 8, 1997 (2 Sessions)

Hearing Location:

Los Angeles, California

CASE SUMMARY

Claimant alleged that Respondent breached its employment contract with Claimant. Claimant also claimed that Respondent fraudulently induced Claimant to enter into the employment contract and that Respondent never intended to perform to the terms of the contract. Claimant alleged that Respondent made defamatory statements about Claimant which caused harm to Claimant's reputation and economic interests. Claimant further alleged that Respondent's actions resulted in a loss of prospective economic advantages for the Claimant.

Respondent denied each and every allegation of wrongdoing set forth in the Statement of Claim.

Respondent, in its Counter-Claim, alleged that Claimant was indebted to the Respondent for advances made to him in the course of employment and settlement of client disputes. Respondent claimed that Claimant signed an indemnification agreement obliging him to reimburse Respondent for settlement of claims.

Claimant denied each and every allegation of wrongdoing in the Respondent's Counter-Claim.

RELIEF REQUESTED

Claimant sought general damages, special damages, punitive damages according to proof, prejudgment interest, costs and dismissal of Respondent's Counter-Claim in its entirety.

Respondent sought dismissal of Claimant's claim in its entirety, \$65,198.05 in damages for unpaid advances, indemnification of the settlement of client disputes, costs and fees.

Claimant requested that the Counter-Claim be dismissed with prejudice.

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 Regulation, Inc. Office of Dispute Resolution.

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. All of Claimant's claims are denied in their entirety.
2. Respondent is awarded the sum of \$4,405.00 against Claimant.
3. 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 following forum fees are assessed against Claimant:

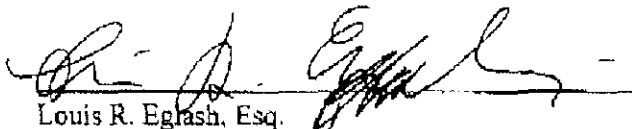
Nine (9) Hearing Sessions @ \$600.00/Session	= \$5,400.00
<u>Claimant's Credit for Hearing Session Deposit</u>	<u>= \$600.00</u>
Claimant's Balance Due	= \$4,800.00

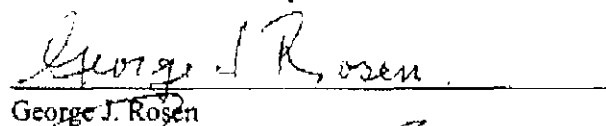
Fees are payable to NASD Regulation, Inc.

ARBITRATORS

<u>Name</u>	<u>Public / Industry</u>
Louis R. Eglash, Esq.	Public Arbitrator
George J. Rosen	Industry Arbitrator
Ian M. Grant	Public Arbitrator

Concurring Arbitrators' Signatures


Louis R. Eglash, Esq.


George J. Rosen


Ian M. Grant

Date of Decision: 4-9-1997