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N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the matter of the Arbitration Between

Name of Claimant

Scottsdale Securities, Inc.

Name of Respondents

Bernhard and Irene Thorn and Chuck Thorn

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Securities Dealers, Inc.**

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**NASD Arbitration
No. 95-4259**

REPRESENTATION

For Claimant: Mark Finnegan
Scottsdale Securities, Inc.
St. Louis, Missouri

For Respondent: In Pro Per

CASE INFORMATION

Statement of Claim filed:	September 6, 1995
Claimant's Submission Agreement signed:	September 12, 1995
Joint Statement of Counterclaim filed by Respondent:	November 6, 1995
Claimant's Response to Counterclaim:	December 7, 1996

HEARING INFORMATION

Hearing Dates/ Sessions: March 12, 1995 (2 sessions)
March 13, 1995 (1 session)

Hearing Location: Los Angeles, California

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CASE SUMMARY

Claimant alleges that Respondents committed malicious and deliberate fraud. Specifically, Claimant alleges that Respondents lied to Claimant in stating they never received a 500 share certificate for Caterpillar Tractor and then committed fraud by attempting to sell the certificate at a different brokerage firm for a higher price. Additionally, Claimant alleges that Respondents purchased additional stock for which they never paid Claimant and which caused Claimant to incur a substantial loss.

Respondents deny Claimant's allegations and counter allege that Claimant opened accounts without consent, traded in accounts without consent, manipulated accounts and made recommendations to purchase unsuitable stock.

RELIEF REQUESTED

Claimant sought compensatory damages in the amount of \$28,941.13, plus interest at 16 % per annum from the date of demand. In addition, Claimant sought filing fees, attorney fees and costs, as well as \$57,882.26 in punitive damages.

Respondents sought \$50,000 in compensatory damages and \$45,280 in punitive damages.

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. Respondents Bernhard Thorn, Irene 'Thorn and Chuck Thorn are jointly and severally liable and shall pay claimant the sum of \$5,718.18.
2. Respondent Chuck Thorn is liable for and shall pay Claimant the sum of \$13,340.85
3. Respondents' Counterclaim is denied in its entirety.
4. The parties shall each bear their respective costs, including attorney's fees.

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FORUM FEES

Pursuant to Section 43(c) of the Code of Arbitration Procedure, the following forum fees are assessed:

Three hearing sessions @ \$600.00 / session	=	\$1,800.00
Total fees	=	\$1,800.00
Claimant's one-third share	=	\$600.00
Credit for hearing deposit	=	\$600.00
Claimant's balance due	=	\$0.00
Respondent Chuck Thom's two-third share	=	\$1,200.00
Credit for hearing deposit	=	\$500.00
Respondent's balance due	=	\$700.00

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

ARBITRATORS

Name Public / Industry

John E. Ohashi

Public Arbitrator

John F. Cordova

Industry Arbitrator

Lionel S. Heller

Public Arbitrator

Concurring Arbitrators' Signatures

 John E. Ohashi

 John F. Cordova

 Lionel S. Heller

Date of Decision: _____

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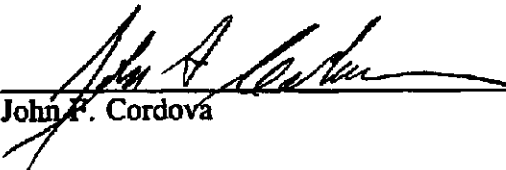
ARBITRATORS

Name Public / Industry

John E. Ohashi Public Arbitrator
 John F. Cordova Industry Arbitrator
 Lionel S. Heller Public Arbitrator

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John F. Cordova	Industry Arbitrator
Lionel S. Heller	Public Arbitrator

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John E. Ohashi

John F. Cordova



Lionel S. Heller

Date of Decision: _____

Date of Service: 5-28-76