

N.A.S.D. REGULATION AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the matter of the Arbitration Between

Name of Claimant

Gregg Heschong

NASD Arbitration
No. 95-04676

Name of Respondents

Smith Barney, Inc., Barry Garapedian

REPRESENTATION

For Claimant:

Steve A. Buchwalter, Esq.
Bruce Garfield
Law Offices of Steve A. Buchwalter
Encino, California

For Respondents:

Marion S. Chan, Esq.
Smith Barney, Inc.
New York, New York

CASE INFORMATION

Statement of Claim filed:	October 3, 1995
Claimant's Submission Agreement signed:	May 25, 1995
Joint Statement of Answer filed by Respondents:	November 28, 1995
Respondent Smith Barney, Inc.'s Submission Agreement signed:	November 27, 1995
Respondent Barry Garapedian's Submission Agreement signed:	November 6, 1995

HEARING INFORMATION

Pre-Hearing Conference Date / Session: August 2, 1996 (1 session)

Hearing Dates / Sessions: January 29, 1997 (2 sessions)
January 30, 1997 (2 sessions)

Hearing Location: Los Angeles, California

CASE SUMMARY

Claimant alleged that Respondents committed breach of fiduciary duty, fraud, misrepresentation and omission of material fact, negligence, violations of standards of the profession and implied covenant of good faith and fair dealing and failure to supervise. In addition, Claimant asserted that Respondents made unsuitable investments for Claimant given Claimant's stated investment objectives.

Respondents denied Claimant's claims in their entirety.

RELIEF REQUESTED

Claimant sought compensatory damages in the amount of \$24,378.40, pre-award and post-award interest at the maximum rate allowed by law from the date of the original investment, costs and expenses and punitive damages in an amount to be determined at the arbitration hearing.

Respondents sought dismissal of the Statement of Claim in its entirety, costs and reasonable attorneys' fees incurred in defense of this matter.

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. Claimant Gregg Heschong is hereby awarded from and against Respondents Smith Barney, Inc. and Barry Garapedian, jointly and severally, the sum of \$17,018.75.
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, the following forum fees are assessed:

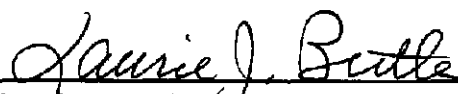
One (1) Pre-Hearing Conference Session @ \$400.00/Session	= \$400.00
<u>Four (4) Hearing Sessions @ \$400.00/Session</u>	<u>= \$1,600.00</u>
Total Forum Fees Assessed	= \$2,000.00
 Claimant's One-Half Share	 = \$1,000.00
<u>Credit for Hearing Session Deposit</u>	<u>= \$400.00</u>
Claimant's Balance Due	= \$600.00
 <u>Respondents' One-Half Share (joint and several)</u>	 <u>= \$1,000.00</u>
Respondents' Balance Due	= \$1,000.00

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

ARBITRATORS

<u>Name</u>	<u>Public / Industry</u>
Laurie J. Butler, Esq.	Public Arbitrator
Curtis H. Baer	Industry Arbitrator
Irwin Howard Lasky	Public Arbitrator

Concurring Arbitrators' Signatures



Laurie J. Butler, Esq.

Curtis H. Baer

Irwin Howard Lasky

Date of Decision: _____

Date of Service: _____

ARBITRATORS

<u>Name</u>	<u>Public / Industry</u>
Laurie J. Butler, Esq.	Public Arbitrator
Curtis H. Baer	Industry Arbitrator
Irwin Howard Lasky	Public Arbitrator

Concurring Arbitrators' Signatures

Laurie J. Butler, Esq.

Curtis H. Baer
Curtis H. Baer

Irwin Howard Lasky

Date of Decision: 1/30/92

Date of Service: _____

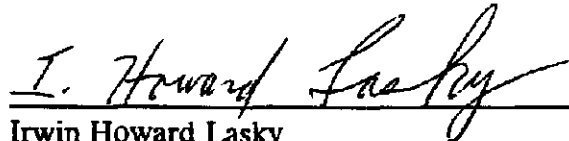
ARBITRATORS

<u>Name</u>	<u>Public / Industry</u>
Laurie J. Butler, Esq.	Public Arbitrator
Curtis H. Baer	Industry Arbitrator
Irwin Howard Lasky	Public Arbitrator

Concurring Arbitrators' Signatures

Laurie J. Butler, Esq.

Curtis H. Baer



Irwin Howard Lasky

Date of Decision: _____

Date of Service: _____