

AWARD

**NASD, Regulation, Inc.,
Office of Dispute Resolution**

In the matter of the Arbitration Between

NASD Regulation, Inc.
No. 95-05280

Raj Vadhera, Personal Representative of the
Estates of Navrata Ram Vij and Guaran Devi
Vij, Deceased

Claimant

vs.

Smith Barney, Inc.
William Johnson
Jack Frager

Respondents

REPRESENTATION OF PARTIES

For Claimant: Stephen P. Oggel, Esq., San Diego, California

For Respondents: Paul Giappone, Esq., Smith Barney, Inc., New York, New York

CASE INFORMATION

Statement of Claim filed: October 19, 1995

Claimant's Submission Agreement signed: September 18, 1996

Joint Statement of Answer filed: December 22, 1995

Respondents' Submission Agreement signed:

Smith Barney:	December 20, 1995
William Johnson:	November 22, 1995
Jack Frager:	November 24, 1995

HEARING INFORMATION

A pre-hearing telephone conference lasting one session was held on November 1, 1996.

The evidentiary hearing was held in San Diego, California, as follows:

February 5, 1997 - 2 sessions

February 6, 1997 - 2 sessions

February 7, 1997 - 1 session

CASE SUMMARY

Claimant alleged fraud, unauthorized trading, lack of suitability, and failure to supervise with respect to the investment recommendations made by Respondents concerning the common stock of Monoclonal Antibodies, Winner's Circle, Quidel and Helionetics.

Respondents denied the allegations of wrong-doing, and asserted that all transactions were authorized by Claimant after complete disclosure of the risks of investment.

RELIEF REQUESTED

Claimant requested damages of \$250,000, rescission of the unsuitable investments, lost opportunity costs, return of commissions paid, lost earnings and interest since March 1990, punitive damages of \$250,000, costs of arbitration and attorney's fees.

Respondents required dismissal of all claims.

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 originals remain on file with NASD Regulation, Inc.

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 are jointly and severally liable for and shall pay to Claimant the sum of \$25,000.00 as compensatory damages.

2. All other claims for relief, including the claim for punitive damages, are dismissed.

3. The parties shall bear their respective costs, including attorney's fees.

FORUM FEES

Pursuant to Section 43(c) of the Code of Arbitration Procedure, the NASDR shall retain the \$250 non-refundable filing fee paid by Claimant, but shall refund the \$1000 hearing session deposit.

Respondent Smith Barney is assessed all forum fees as follows:

5 hearing sessions @ \$1000/session = \$5000

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

Concurring Arbitrators Signatures:

Date signed:

Charles M. Myers

James R. Collins

Dissenting arbitrator:



James D. Knotter, Esq

2/15/97

Date Served: February 21, 1997

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Date signed:

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James R. Collins

2/16/97

Dissenting arbitrator:

James D. Knotter, Esq

Date Served: February 21, 1997

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Concurring Arbitrators Signatures:

Date signed:

Charles M. Myers
Charles M. Myers

2/18/97

James R. Collins

Dissenting arbitrator:

James D. Knotter, Esq

Date Served: February 21, 1997