

AWARD

NASD REGULATION, INC., OFFICE OF DISPUTE RESOLUTION

In the matter of the Arbitration Between

Name of Claimant(s)

William John Herter

Arbitration
No. 96-02311

Name of Respondent(s)

Brian Kim
Josephthal Lyon & Ross Incorporated

REPRESENTATION

For Claimant: William John Herter, Foster City, California

For Respondents: Brian J. Neville, Esq., Josephthal Lyon & Ross
Incorporated, New York, New York

CASE INFORMATION

Statement of Claim filed: May 28, 1996

Claimant's Submission Agreement signed: May 28, 1996

Joint Statement of Answer filed by Respondents: July 29, 1996

Respondents' Submission Agreements signed as follows:

Brian Kim: July 29, 1996

Josephthal Lyon & Ross Incorporated: July 8, 1996

HEARING INFORMATION

Pre-Hearing Conference Date(s)/Session(s):

February 28, 1997 (one session)

Hearing Date(s)/Session(s): May 22, 1997 (one session)

Hearing Location: San Francisco, California

CASE SUMMARY

Claimant alleged that the above-captioned dispute involves an illegal/unauthorized stock transaction by Respondent Brian Kim in connection with Claimant's investment in Network Express stock.

Respondents denied Claimant's allegations of wrongdoing and denied any liability to Claimant. Respondents alleged that Claimant's Statement of Claim incorrectly states the facts and leaves out several important facts. Respondents further alleged that Claimant's damage calculations are incorrect and alleged that the subject investment was authorized by Claimant.

RELIEF REQUESTED

Claimant requested damages in the amount of \$5,700.00.

Respondents requested dismissal of Claimant's claims.

OTHER ISSUES CONSIDERED AND DECIDED

None.

AWARD

After considering the pleadings, the testimony and the evidence presented at the hearing, the undersigned arbitrator has decided in full and final resolution of the issues submitted for determination as follows:

1. All claims by Claimant are dismissed.
2. The parties shall each bear their respective costs including attorney's fees.

FORUM FEES

Pursuant to Section 10332(c) of the Code of Arbitration Procedure, the following forum fees are assessed: The NASDR shall

retain Claimant's hearing session deposit of \$200.00 as costs of this proceeding. No additional forum fees are assessed.

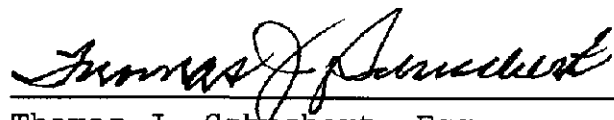
PRESIDING ARBITRATOR

Name Public / Industry

Thomas J. Schuchert, Esq.

Public Arbitrator

Presiding Arbitrator's Signature



Thomas J. Schuchert, Esq.

Date of Decision: 5/23/97

Date served: 6/3/97