

## AWARD

### NASD REGULATION, INC., OFFICE OF DISPUTE RESOLUTION

In the matter of the Arbitration Between

Name of Claimant

B.J. Ukra

v.

Arbitration No.

96-02586

Name of Respondent

Bear Stearns Securities Corporation

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### REPRESENTATION

For Claimant:

Gerald M. Shaw, Esq.  
Law Offices of Gerald M. Shaw  
Corona Del Mar, California

For Respondent:

Ellen R. Friedman  
Associate Director  
Bear Stearns & Co., Inc.  
Los Angeles, California

### CASE INFORMATION

Statement of Claim filed:

June 17, 1996

Claimant's Submission Agreement signed:

June 11, 1996

Statement of Answer filed by Respondent:

August 29, 1996

Respondent's Submission Agreement signed:

August 26, 1996

### **HEARING INFORMATION**

Pre-Hearing Conference Dates/Sessions : December 11, 1996 (1 session)  
Hearing Dates/Sessions: June 25, 1997 (2 sessions)  
Hearing Location: Los Angeles, California

### **CASE SUMMARY**

Claimant alleged that Respondent committed, negligence, fraud, negligent misrepresentation, breach of fiduciary duty, breach of contract, breach of the covenant of good faith and fair dealing, emotional distress, failure to supervise, and violations of the Securities laws and rules and regulations of the NASD and NYSE. Specifically, Claimant asserted that Respondent, contrary to Claimant's authority, converted Claimant's account to a margin account and sold all of Claimant's investments, creating a loss in excess of \$7,000.00.

Respondent denied Claimant's claims in their entirety and asserted that Claimant voluntarily opened a margin account. In addition, Respondent asserted that Claimant was provided all information which disclosed the risks associated with a margin account and was sent monthly account statements for three years which indicated Claimant's securities were being purchased on margin.

### **RELIEF REQUESTED**

Claimant sought compensatory damages in the amount of \$7,000.00, interest at the legal rate, return of commissions paid, margin account interest, any cost related to cancellation of margin debt, punitive damages, costs and reasonable attorney's fees.

Respondent sought dismissal of Claimant's claims in their entirety, costs and attorney's fees.

### **OTHER ISSUES CONSIDERED AND DECIDED**

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 arbitrator has decided in full and final resolution of the issues submitted for determination as follows:

1. If Claimant's account (#721-00238) is still open, Respondent is directed to close said account within thirty (30) days after the date of the award and to remit the securities and/or funds therein to Claimant or as Claimant may direct in writing.
2. All other claims and demands for relief are denied.

### FORUM FEES

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

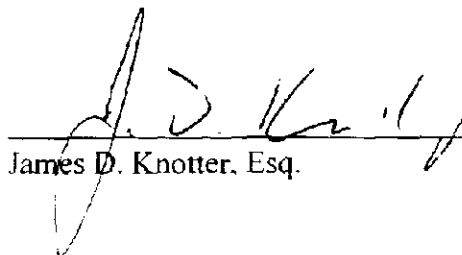
One (1) Pre-Hearing Conference @ \$200.00/Session	= \$200.00
<u>Two (2) Hearing Session @ \$200.00/Session</u>	<u>= \$400.00</u>
Total Forum Fees	= \$600.00
 Claimant's Amount Assessed	 = 600.00
<u>Claimant's Credit for Hearing Session Deposit</u>	<u>= \$200.00</u>
Claimant's Balance Due	= \$400.00

Fees are payable to the NASD Regulation, Inc.

### ARBITRATOR

<u>Name</u> .....	<u>Public/Industry</u>
James D. Knotter, Esq.	Public Arbitrator

Arbitrator's Signature

  
James D. Knotter, Esq.

Date of Service: July 21, 1997