

AWARD

NASD REGULATION, INC., OFFICE OF DISPUTE RESOLUTION

In the matter of the Arbitration Between

Name of Claimant(s)

Sergio D. Ilic, M.D.

v.

Arbitration No.
96-03253

Name of Respondent(s)

Del Mar Financial Services, Inc.
Kevin C. Dills
Philip S. Brandon
Private Brokers Clearing Corporation

REPRESENTATION

For Claimant: T. Steven Gregor, Esq.
Murphey Law Offices
Carlsbad, California

For Del Mar Financial Services and Kevin Dills:

Irving M. Einhorn, Esq.
Los Angeles, California

Respondent Philip Brandon represented himself.

CASE INFORMATION

Statement of Claim filed: July 30, 1996

Claimant's Submission Agreement signed: July 24, 1996

Amended Statement of Claim filed: January 6, 1997

Second Amended Statement of Claim filed: August 4, 1997

Statement of Answer filed by Respondent Brandon: October 16, 1996

Joint Answer to Amended Claim and Third Party Claim filed by Brandon
and Del Mar Financial Services: April 24, 1997

Joint Answer to Second Amended Claim filed by Kevin Dills and Del
Mar Financial Services: September 13, 1997

Motion to Dismiss & Cross-Claim filed by Private Brokers Clearing
Corporation: September 19, 1997

Respondents' Submission Agreements signed as follows:

Del Mar Financial Services:	April 27, 1997
Kevin C. Dills:	September 18, 1997
Philip s. Brandon:	October 16, 1996
Private Brokers Clearing Corporation:	None Submitted

HEARING INFORMATION

Pre-hearing telephone conferences were held:

July 23, 1997	-	1 session (3 arbitrators)
October 1, 1997	-	1 session (3 arbitrators)

The evidentiary hearing was held in San Francisco, California, on April 16, 1998 and lasted 2 sessions.

CASE SUMMARY

Claimant alleged unauthorized trading, conversion, failure to supervise, breach of fiduciary duty and breach of contract with respect to his investments in the common stock of Comparator Systems. Claimant alleged he placed orders to sell his shares of Comparator in three separate lots, that after the trades were confirmed in writing, they were cancelled and resold at lower prices by Respondents. Claimant alleged Respondents refused to provide explanations for these cancellations.

Respondent Private Broker moved to dismiss, stating it was a clearing broker only, and was thus not liable to Claimant.

The remaining Respondents denied Claimant's allegations of wrongdoing, and asserted that they were not the proper Respondents and that Claimant's broker was the proper Respondent. Respondents further stated that because of extraordinarily heavy trading volume in Comparator stock, the clearing firm was unable to process the orders, causing Del Mar to have to correct all of its Comparator trades.

RELIEF REQUESTED

Claimant requested damages of \$74,377.50, plus interest, costs of arbitration and attorney's fees.

Respondents each requested dismissal of all claims.

OTHER ISSUES CONSIDERED AND DECIDED

Before hearing, the claim against Private Brokers Clearing Corporation was withdrawn by Claimant. Private Brokers withdrew its cross-claim.

The third-party claim stated against the Claimant's broker was not properly served and is not part of this case.

The parties have agreed to receive conformed copies of the Award while the originals remain on file with NASDR, Inc.

AWARD

The undersigned arbitrators, having considered the pleadings, the testimony and the evidence presented at the hearing, have determined in full and final resolution of the issues submitted for determination as follows:

1. Respondents Del Mar Financial Services, Inc., and Kevin Dills are jointly and severally liable for and shall pay to Claimant the sum of \$74,375.00, plus interest at 10% per annum from May 12, 1996 until paid in full.
2. The claims asserted against Philip S. Brandon are dismissed in their entirety.
3. The claims for attorney's fees are dismissed

FORUM FEES

Pursuant to Section 10332 of the Code of Arbitration Procedure, the NASDR shall retain Claimant's \$150.00 non-refundable filing fee, but shall refund his \$500.00 hearing session deposit.

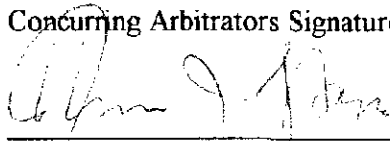
Respondents Del Mar Financial Services and Kevin C. Dills are assessed all forum fees:

2 pre-hearing phone conferences @ \$500/session	\$ 1,000.00
2 hearing sessions @ \$500/session	<u>\$ 1,000.00</u>
Balance Due:	<u>\$ 2,000.00</u>

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

Concurring Arbitrators Signatures:

Date signed:



Thomas J. LoSavio
Presiding Chairperson
Public Arbitrator

Gary H. Kahn
Public Arbitrator

Shirley L. Reich
Securities Industry Arbitrator

Date served: 6/2/98

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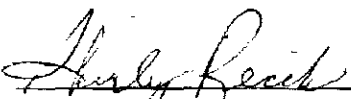
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Shirley L. Reich
Securities Industry Arbitrator

5-36-98

Date served: 6/2/98