

AWARD

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

In the Matter of the Arbitration Between

Name of Claimant(s)

David K. Stern and Julie Stern

v.

NASD Regulation, Inc.
Office of Dispute Resolution
Arbitration No. 96-03335

Name of Respondent(s)

Lew Lieberbaum & Co., Inc. and Joseph Duarte

REPRESENTATION

For Claimants:

Jonathan W. Evans, Esq.
Jonathan W. Evans & Associates
Los Angeles, CA

For Respondents:

Chase Caro, Esq.
Caro & Graifman, PC
New York, NY

CASE INFORMATION

Statement of Claim filed: July 31, 1996

Claimant's Submission Agreement signed: July 30, 1996

Statement of Answer filed by Respondent: September 6, 1996

Respondent's Submission Agreement signed: August 29, 1996

HEARING INFORMATION

Pre-Hearing Conference Dates / Sessions: January 13, 1997 (1 session)
 January 21, 1997 (1 session)
 January 27, 1997 (1 session)

Hearing Dates / Sessions: May 14, 1997 (2 sessions)
 May 15, 1997 (2 sessions)

Hearing Location: Los Angeles, CA

CASE SUMMARY

Claimants alleged that Respondents recommended unsuitable securities, engaged in misrepresentation, were negligent, breached the fiduciary duty owed to Claimants, and violated Federal Securities laws and NASD Rules of Fair Practice. Claimants further alleged that Respondent Low Lieberbaum & Co., Inc. failed to properly supervise Claimants' account.

Respondents denied the allegations of wrongdoing found in the Claimants' Statement of Claim.

RELIEF REQUESTED

Claimant requested compensatory damages of \$23,768.00, disgorgement of commissions, interest at the legal rate of 10% from September 1, 1994, damages consisting of the reasonable rate of return on the principal sum invested by Claimants, punitive damages, costs of arbitration, and reasonable attorney's fees.

Respondents requested that a judgment be entered against Claimants.

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 Regulation, Inc., Office of Dispute Resolution.

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 liable to and shall pay Claimants the sum of \$17,000.00.
2. Claimants' request for punitive damages is denied.
3. The parties shall each bear their respective costs, including attorney's fees.

FORUM FEES

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

One (1) Three-Member Pre-Hearing Conference @ \$400.00/Session	=	\$400.00
Two (2) One-Member Pre-Hearing Conferences @ \$300.00/Session	=	\$600.00
Four (4) hearing Sessions @ \$400.00/Session	=	\$1,600.00
Total Fees Assessed Respondents, jointly and severally:	=	\$2,600.00

Fees are payable to the NASD Regulation, Inc.

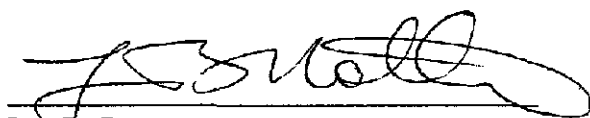
ARBITRATORS

<u>Name</u>	<u>Public / Industry</u>
Robert L. Schouweiler	Public Arbitrator
Leo B. Rotter	Industry Arbitrator
Robert H. Koenig, Esq.	Public Arbitrator

Concurring Arbitrators' Signatures



Robert L. Schouweiler



Leo B. Rotter



Robert H. Koenig, Esq.

Date of Decision: May 15, 1997

Date of Service: May 16, 1997