

NASD REGULATION AWARD

In the Matter of the Arbitration Between

Name of Claimant

Hisham A.F. Khadr

96-03925

Name of Respondents

D.H. Blair & Company
Jeffrey Woodrow Berns

REPRESENTATION

Claimant Hisham A. F. Khadr ("claimant") appeared pro-se.

For Respondents D.H. Blair & Company ("DHB") and Jeffrey Woodrow Berns ("Berns") (collectively "respondents") appeared John T. McGuire, Esq. General Counsel and Senior Vice President for DHB.

CASE INFORMATION

Statement of Claim was filed on: August 30, 1996.

Claimant's Submission Agreement was signed on: August 29, 1996.

Joint Statement of Answer was filed by respondents on: November 4, 1996.

Respondent DHB's Submission Agreement was signed on: December 23, 1996.

Respondent Berns' Submission Agreement was signed on: November 4, 1996.

HEARING INFORMATION

Hearing date/session: April 8, 1997 - One Session

The hearing was conducted at the offices of NASD Regulation, Inc., located at 125 Broad Street, New York, New York.

CASE SUMMARY

Claimant alleged that, on December 21, 1993 and December 27, 1993, Berns purchased shares of Natural Earth Technology ("NET") for his account without authorization. Claimant maintained that he previously asked Berns to liquidate his portfolio so that he could use the proceeds to buy a house. In addition, claimant contended that, after he learned of the unauthorized transactions, he contacted Berns who informed him that he was trying to act in claimant's best interest and that he would sell the stock and mail the proceeds as soon as possible. Claimant alleged that Berns' unauthorized actions resulted in a loss of \$4,243.00.

Respondents alleged that, on or about January 11, 1993, claimant opened an account at DHB and that Berns was his registered representative. Respondents contended that claimant was a physician who had approximately ten years of investment experience and maintained other securities' accounts. Respondents further contended that claimant indicated that one of his investment objectives was speculation and that he wanted to use his account as an aggressive trading account seeking to make short term profits on quick price movements in volatile stocks.

In addition, respondents maintained that, on December 16, 1993, Claimant transferred five securities and one position he held in a variable rate bond fund into his DHB account. Respondents also contended that, pursuant to claimant's instructions, on December 29, 1993, the bulk of these transferred securities were sold and the proceeds were used to purchase shares of NET. Respondents further alleged that, in anticipation of participating in an initial public offering, claimant liquidated his position in NET.

Respondents maintained that, prior to the execution of the orders, claimant discussed with Berns, in detail, the purchase of NET and that the transactions were duly authorized. In addition, respondents contended that although claimant received confirmations and account statements, claimant did not voice any complaint about the trades until May 5, 1995.

RELIEF REQUESTED

Claimant requested actual damages of \$4,243.00 plus the filing fee and \$50.00 for miscellaneous expenses.

Respondents requested that claimant's Statement of Claim be dismissed in its entirety.

OTHER ISSUES CONSIDERED AND DECIDED

Claimant filed this claim pursuant to Rule 10302 of the Code of Arbitration Procedure ("Code"). Pursuant to Rule 10302(f) of the Code, the presiding arbitrator directed that this case proceed with a hearing.

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 against respondents are dismissed in their entirety.
2. Respondent DHB be and hereby is liable and shall pay claimant the sum of \$50.00 to reimburse claimant for one-half of the hearing session deposit.
3. All other requests for relief are hereby denied.

FORUM FEES

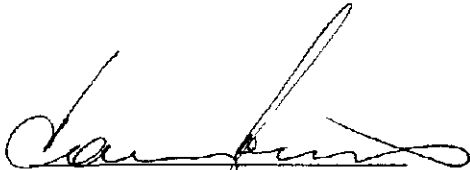
Pursuant to Rule 10332(c) of the Code of Arbitration Procedure, the arbitrator has determined that NASD Regulation, Inc. shall retain the \$50.00 non-refundable filing fee previously deposited by claimant and has assessed the following forum fees:

1 Hearing Session x \$100.00	=	\$100.00
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Claimant, be and hereby is liable for the sum of \$50.00, representing one-half of the total amount of forum fees assessed. Claimant previously deposited \$100.00 with NASD Regulation, Inc. and, therefore, claimant owes nothing by way of forum fees.

Respondent, DHB be and hereby is liable for the sum of \$50.00, representing one-half of the forum fees assessed.


ARBITRATOR'S SIGNATURE



Harry Weiss
Chairperson / Public Arbitrator

Date of Decision: May 30, 1997

I, Harry Weiss, do hereby affirm, pursuant to article 7507 of the Civil Practice Law and Rules, that I am the individual described herein, and who executed this instrument which is my award.



Harry Weiss