

AWARD

NASD REGULATION, INC., OFFICE OF DISPUTE RESOLUTION

In the matter of the Arbitration Between

Name of Claimant(s)

Mary Mortell

v.

Arbitration No.
96-04108

Name of Respondent(s)

LaJolla Securities Corporation, Inc.
Bruce Biddick
Richard L. Goodrich

REPRESENTATION

For Claimant: Maria J. Seedner, Esq., San Diego, California

For Respondents La Jolla Securities and Bruce Biddick: Richard R. Leuthold, Esq., San
Diego, California

CASE INFORMATION

Statement of Claim filed September 12, 1996

Claimant's Submission Agreement signed September 9, 1996

Joint Answer filed by Respondents LaJolla Securities and Bruce Biddick: December 18, 1996

Respondents' Submission Agreements signed:

LaJolla Securities:	January 10, 1997
Bruce Biddick:	November 26, 1996

HEARING INFORMATION

The evidentiary hearing was held in San Diego, California, as follows:

May 20, 1997	-	2 sessions
May 21, 1997	-	2 sessions

CASE SUMMARY

Claimant alleged lack of suitability, fraud, negligence and misrepresentation with respect to her investments on margin in the common stock of NYER. Claimant also alleged breach of written contract, conversion, breach of fiduciary duty, breach of the implied covenant of good faith and fair dealing, and violations of federal securities laws.

Respondents denied the allegations of the claim, and stated affirmative defenses including failure to state a claim, statutes of limitation, laches, comparative negligence, failure to mitigate, and justification.

RELIEF REQUESTED

Claimant requested damages of \$30,000, plus commissions paid, interest, lost opportunity costs, punitive damages, attorney's fees, and costs.

Respondents requested dismissal of all claims.

OTHER ISSUES

Respondent Richard L. Goodrich was not served with the claim, and is not a party in this matter.

The parties have agreed to receive conformed copies of the Award, and to leave the original on file with NASDR.

AWARD

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


1. Respondents LaJolla Securities Corporation and Bruce Biddick are jointly and severally liable for and shall pay to Claimant the sum of \$14,150 in satisfaction of the claims for damages.
2. The claim for punitive damages is dismissed.
3. Respondents LaJolla Securities Corporation and Bruce Biddick are jointly and severally liable for and shall pay to Claimant attorney's fees of \$3,500, pursuant to the authority of California Civil Code Section 1717.

FORUM FEES

Pursuant to Section 10332 of the Code of Arbitration Procedure, the NASDR shall **retain** the \$100 non-refundable filing fee paid by Claimant, but shall **refund** the \$300 hearing session deposit.

Respondent LaJolla Securities Corporation is assessed all forum fees:

4 hearing sessions @ \$300/session	\$1,200
Credit for hearing session deposits	<u>600</u>
Balance due	\$600


William L. Merkin, Esq.

Date of Decision: 6/19/97.

Date Served: June 23, 1997