

NASD REGULATION, INC. AWARD

In the Matter of the Arbitration Between

Name of Claimant

Larry Murk

96-04447

Names of Respondents

State Street Capital Markets Corp.
John Doukas
Bob Peters

REPRESENTATION

Claimant Larry Murk ("Claimant") appeared pro se.

For Respondents State Street Capital Markets Corp. ("State Street") and John Doukas ("Doukas") appeared John Bersin, Esq. of the firm Gusrae Kaplan & Bruno, located in New York, New York.

For Respondent Bob Peters ("Peters") appeared Brian H. Reis, Esq. of the firm Goldstein, Goldstein & Reis, LLP, located in New York, New York.

CASE INFORMATION

Claimant's Statement of Claim was filed on October 10, 1996. An Amended Statement of Claim was filed on April 24, 1997. Claimant's Submission Agreement was signed on October 2, 1996.

Respondents State Street, Doukas, and Peters filed a Joint Statement of Answer on November 26, 1996. Respondents State Street and Doukas filed a Joint Statement of Answer to the Amended Statement of Claim on June 13, 1997. Respondent Peters filed a Statement of Answer to the Amended Statement of Claim on June 9, 1997. Respondents State Street, Doukas and Peters failed to file a properly executed Submission Agreement.

HEARING INFORMATION

Pre-Hearing Conferences:	April 14, 1997	One Session
	July 16, 1997	One Session
	September 15, 1997	One Session
Hearing Dates/Sessions:	September 16, 1997	Two Sessions
	October 6, 1997	Two Sessions
	October 7, 1997	Two Sessions

The hearings were conducted at the offices of NASD Regulation, Inc. located in New York, New York.

CASE SUMMARY

Claimant alleged that, on August 6, 1996, Respondents purchases 4,000 shares of Fun-Tyme Corp. without his authorization. Claimant maintained that, despite assertions that the trade would be reversed, the transaction was never cancelled. Claimant further alleged that, on August 23, 1996, Respondent Peters failed to execute a sell order, despite his urgent request to do so. Claimant maintained that Respondent Peters failed to return his phone calls.

Claimant alleged, in the Amended Statement of Claim, that Respondents made unsuitable investments and misrepresentations throughout the duration of his affiliation with them. Claimant maintained that Respondent Peters recommended he purchase BREWCO and represented that the stock was about to go public. Claimant further maintained that BREWCO has not had a public offering and he would be precluded from the sale of the stock, despite assurances to the contrary.

Respondents maintained that Claimant authorized all transactions which were consummated and received confirmations of the trades. Respondent Peters maintained he never executed a trade for the Claimant. Respondents also maintained that Claimant's alleged difficulty in contacting his broker was not due to a deliberate policy of Respondents. Respondents further maintained that Claimants alleged losses were the result of market activity and market conditions not comporting with the limits of Claimant's orders.

In response to the Amended Statement of Claim, Respondents maintained that Claimant was an experienced investor and that the trades in question were not "too risky" as Claimant suggested. In his Amended Answer, Respondent Peters maintained that Claimant was a sophisticated and experienced investor and was provided with a private placement memorandum which described the investment in BREWCO and the risks associated therewith. Respondent Peters maintained that he did not represent that the investment was transferrable or easily saleable.

RELIEF REQUESTED

Claimant requested damages in the amount of \$230,000.00 plus interest, and punitive damages.

Respondents State Street, Doukas and Peters requested that all claims in the Statement of Claim be denied, plus costs of the proceeding, including Respondents' attorneys' fees, be assessed against Claimant and all such other and further relief as the Arbitrators may deem just and necessary.

OTHER ISSUES CONSIDERED & DECIDED

The parties have agreed that the Award in this matter may be executed in 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 originals remain on file with the NASD.

A Motion to dismiss Respondent Doukas from the case was granted by the panel at the hearing on September 16, 1997.

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. Respondent State Street Capital Corp. be and hereby is liable and shall pay to Claimant the sum of \$86,000.00.
2. All claims against Respondent Peters are hereby dismissed.
3. All other claims are hereby dismissed in their entirety.

FORUM FEES

Pursuant to Rule 10332(c) of the Code of Arbitration Procedure, the arbitrators have determined that NASD Regulation, Inc. shall retain the \$200.00 non-refundable filing fee submitted by the Claimant and have assessed the following forum fees:

2 Pre-Hearing Conferences x \$300.00	=	\$ 600.00
1 Pre-Hearing Conference with panel x \$750.00	=	\$ 750.00
6 Hearing Sessions x \$750.00	=	\$4,500.00
Total Forum Fees	=	\$5,850.00

1. Claimant be and hereby is liable for the sum of \$1,950.00, representing one-third the total forum fees assessed. Claimant previously deposited \$750.00 with NASD Regulation, Inc., and, therefore, Claimant shall pay the balance of \$1,200.00.
2. Respondent State Street be and hereby is liable and shall pay the sum of \$1,950.00, representing one-third the total forum fees assessed.
3. Respondent Peters be and hereby is liable and shall pay the sum of \$1,950.00, representing one-third the total forum fees assessed.
4. Respondent State Street be and hereby is liable and shall pay the sum of \$350.00 for the Member Surcharge. Respondent State Street has not submitted the sum of \$350.00 and, therefore, owes the Member Surcharge.

Fees are payable to NASD Regulation, Inc.

ARBITRATORS' SIGNATURES



Harold G. Levison, Esq.
Public Arbitrator - Chairperson

I, Harold G. Levison, Esq., 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.



Harold G. Levison, Esq.

Seymour Freed
Public Arbitrator

~~I, Seymour Freed, 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.~~

Seymour Freed

James R. Madan
Industry Arbitrator

I, James R. Madan, 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.

James R. Madan

Date of Decision: March 2, 1998

ARBITRATORS' SIGNATURES

Harold G. Levison, Esq.
Public Arbitrator - Chairperson

I, Harold G. Levison, Esq., 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.

Harold G. Levison, Esq.

X Seymour Freed
Seymour Freed
Public Arbitrator

I, Seymour Freed, 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.

X Seymour Freed
Seymour Freed

James R. Madan
Industry Arbitrator

I, James R. Madan, 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.

James R. Madan

Date of Decision: March 2, 1998

ARBITRATORS' SIGNATURES

Harold G. Levison, Esq.
Public Arbitrator - Chairperson

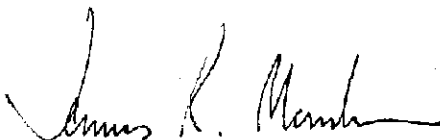
I, Harold G. Levison, Esq., do hereby affirm pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein, and who executed this instrument which is my award.

Harold G. Levison, Esq.

Seymour Freed
Public Arbitrator

I, Seymour Freed, 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.

Seymour Freed



James R. Madan
Industry Arbitrator

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James R. Madan

Date of Decision: March 2, 1998