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In the matter of the Arbitration Between

Name of Claimant(s)

Michael Shields

v.

Arbitration No.
96-04663

Name of Respondent(s)

Jeffrey Ihm

REPRESENTATION

For Claimant: Wesley Shields, Esq., Alameda, California

For Respondent: No appearance

CASE INFORMATION

Statement of Claim filed: November 8, 1996

Claimant's Submission Agreement signed: October 4, 1996

Respondent did not file a Statement of Answer or an executed Submission Agreement.

HEARING INFORMATION

A pre-hearing telephone conference lasting one session was held on September 22, 1997.

The evidentiary hearing was held in San Francisco, California, and lasted one session.

CASE SUMMARY

Claimant alleged fraud, unauthorized transactions, misrepresentation, disappearance of shares, failure to execute, and conducting a securities business after loss of license. Claimant also alleged Respondent created fictitious account names in order to avoid trading restrictions.

RELIEF REQUESTED

Claimant requested damages of \$500,000.00, including punitive damages.

OTHER ISSUES CONSIDERED AND DECIDED

Although Respondent did not file responsive pleadings and did not appear at hearing, the panel took judicial notice of the many notifications sent to him via certified mail/return receipt requested, and determined that Respondent was properly notified of the claim against him and the date, place and time of the evidentiary hearing, as shown by the signed return receipts. The panel determined to proceed in the Respondent's absence.

Claimant agreed to receive conformed copies of the award while the originals remain on file with the NASDR, Inc.

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 is liable for and shall pay to Claimant compensatory damages of \$41,169.84.
2. The panel finds that Respondent's actions constitute fraud; therefore, pursuant to the California Civil Code Section 3294, Respondent is liable for and shall pay to Claimant punitive damages of \$50,000.00.

FORUM FEES

Pursuant to Section 10332 of the Code of Arbitration Procedure, the NASDR shall retain the Claimant's \$200.00 non-refundable filing fee. Claimant's \$750.00 hearing session deposit shall be retained as an assessment of forum fees for one session.

Concurring Arbitrators Signatures:

Date signed:



Martin Mandel
Presiding Chairperson
Public Arbitrator

2/5/98

Bruce W. Belding
Public Arbitrator

Ruthe P. Gomez
Securities Industry Arbitrator

Date Served: February 10, 1998

Concurring Arbitrators Signatures:

Date signed:

Martin Mandel
Presiding Chairperson
Public Arbitrator

Bruce W. Belding
Public Arbitrator

Ruthe P. Gomez
Ruthe P. Gomez
Securities Industry Arbitrator

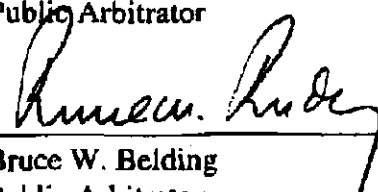
2-5-98

Date Served: February 10, 1998

Concurring Arbitrators Signatures:

Date signed:

Martin Mandel
Presiding Chairperson
Public Arbitrator



Bruce W. Belding
Public Arbitrator

Ruthe P. Gomez
Securities Industry Arbitrator

February 5, 1998

Date Served: February 10, 1998