

Award
NASD Regulation, Inc.

In the Matter of the Arbitration Between:

Manuel Ochoa, Pacific Palisades, L.P., and Global Flows, Ltd., f/k/a Palisades Offshore, Ltd.,
Claimants v. Strome Susskind Securities, L.P., Mark E. Strome, Jeffrey S. Lambert, and Patrick
Siaretta, Respondents.

Case Number: 99-00515

Hearing Site: Los Angeles, California

REPRESENTATION OF PARTIES

For Claimants:

Dennis R. Villavicencio, Esq.
Law Office of Dennis R. Villavicencio
Carlsbad, California

For Respondent Strome Susskind
Securities, L.P.:

Stephen Young, Esq.
Keesal, Young, and Logan
Long Beach, California

For Respondent Patrick Siaretta:

Daniel L. Germain, Esq.
Rosman & Germain, LLP.
Los Angeles, California

CASE INFORMATION

Original Statement of Claim filed: January 30, 1999

First Amended Statement of Claim filed: March 24, 1999

Second Amended Statement of Claim filed: October 1, 1999

Claimant Global Flows, Ltd. f/k/a Palisades Offshore, Ltd.'s Uniform Submission Agreement
signed: February 13, 1999

Claimant Pacific Palisades, L.P.'s Uniform Submission Agreement signed: September 16, 1998

Claimant Manuel Ochoa's Uniform Submission Agreement signed: September 16, 1998

Joint Statement of Answer filed by Respondent Strome Susskind Securities, L.P., Mark E.
Strome, and Jeffrey S. Lambert: May 19, 1999

Respondent Strome Susskind Securities' Uniform Submission Agreement signed: May 18, 1999

Respondent Mark E. Strome's Uniform Submission Agreement signed: May 20, 1999

Respondent Jeffrey S. Lambert's Uniform Submission Agreement signed: May 18, 1999

Statement of Answer filed by Respondent Patrick Siaretta: May 19, 1999

Respondent Patrick Siaretta's Uniform Submission Agreement signed: April 27, 1999

CASE SUMMARY

In the Second Amended Statement of Claim, Claimants alleged breach of fiduciary duty, breach of implied covenant of good faith and fair dealing, conspiracy to commit fraud, common law fraud, constructive fraud, negligent misrepresentation, violation of federal securities law, conversion, violation of California securities law, and strict liability under federal securities law.

Respondent Strome Susskind Securities, L.P. denied the allegations of wrongdoing set forth in the Claimants' Statement of Claim.

Respondent Patrick Siaretta denied the allegations of wrongdoing set forth in the Claimants' Statement of Claim.

RELIEF REQUESTED

Claimants requested monetary damages of \$151,250.00 based on the well-managed portfolio doctrine. Claimants also request pre-award interest of 7% from the date of the original investment, exemplary damages, attorney's fees, and costs.

Respondent Strome Susskind Securities, L.P. requested dismissal of the Claimants' Statement of Claim in its entirety, attorney's fees, and costs.

Respondent Patrick Siaretta requested dismissal of the Claimants' Statement of Claim in its entirety, attorney's fees, and costs.

OTHER ISSUES CONSIDERED AND DECIDED

On July 20, 1999, Claimants dismissed Respondent Jeffrey S. Lambert with prejudice. Claimants dismissed Respondent Mark E. Strome without prejudice. Claimants also dismissed the claim for RICO damages.

On January 25, 2000, the Panel granted the Claimant's Motion to Amend the Statement of Claim. In the Second Amended Statement of Claim, Claimants stated that Claimant Manuel Ochoa was incorrectly named as a Claimant. Claimant Ochoa was removed from the case. Claimants notified the NASD that Claimant Palisades Offshore, Ltd. changed its name to Global Flows, Ltd.

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.

AWARD

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

- 1) Claimants' claims are denied in their entirety.
- 2) Claimants' claim for exemplary damages is denied.
- 3) Each party shall bear its own costs, including attorney's fees.
- 4) All other relief not expressly granted is denied in its entirety.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Regulation, Inc. has received or will collect the non-refundable filing fees for each claim as follows:

Initial claim filing fee = \$ 200.00

Member Fees

Member fees are assessed to each member firm that is either a party in the matter or an employer of a respondent associated person at the time of the event of the dispute. Accordingly, the member firm Strome Susskind Securities, L.P. is a party and the following fees are assessed:

Member Surcharge	= \$ 1,500.00
Pre-Hearing Process Fee	= \$ 600.00
<u>Hearing Process Fee</u>	<u>= \$ 2,500.00</u>
Total Member Fees	= \$ 4,600.00

Forum Fees and Assessments

The Panel assessed a forum fee for each pre-hearing conference or hearing session conducted. A pre-hearing conference and hearing session is any meeting between the parties and the Panel. The following fees are assessed:

(1) Pre-hearing conference session with a single arbitrator @ \$ 300.00/Session = \$ 300.00
Pre-hearing conferences: March 24, 2000 1 Session

(5) Hearing sessions @ \$ 750.00/Session = \$ 3,750.00
Hearings: April 18, 2000 1 Session
April 19, 2000 2 Sessions
April 20, 2000 2 Sessions

Total Forum Fees = \$ 4,050.00

1. The Arbitration Panel has assessed \$1,350.00 of the forum fees jointly and severally to Claimants, Pacific Palisades, L.P., and Global Flows, Ltd., f/k/a Palisades Offshore, Ltd., Claimants.
2. The Arbitration Panel has assessed \$1,350.00 of the forum fees to Respondent Strome Susskind Securities, L.P.
3. The Arbitration Panel has assessed \$1,350.00 of the forum fees to Respondent Patrick Siaretta

Fee Summary

1. Claimants, Pacific Palisades, L.P. and Global Flows, Ltd. f/k/a Palisades Offshore, Ltd., are charged jointly and severally with the following fees and costs:

Initial Filing Fee	= \$ 200.00
Forum Fees	= \$1,350.00
Total Fees	= \$1,550.00
Less payments	= \$ (950.00)
Balance Due NASD Regulation, Inc.	= \$ 600.00

2. Respondent, Strome Susskind Securities, L.P., is charged with the following fees and costs:

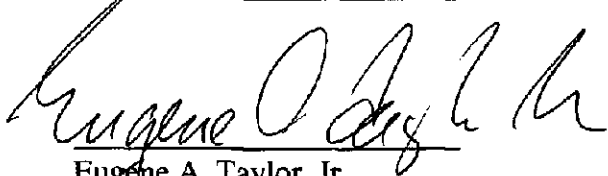
Member Fees	= \$ 4,600.00
Forum Fees	= \$ 1,350.00
Total Fees	= \$ 5,950.00
Less payments	= \$(4,600.00)
Balance Due NASD Regulation, Inc.	= \$ 1,350.00

3. Respondent, Patrick Siaretta, is charged with the following fees and costs:

Forum Fees	= \$ 1,350.00
Balance Due NASD Regulation, Inc.	= \$ 1,350.00

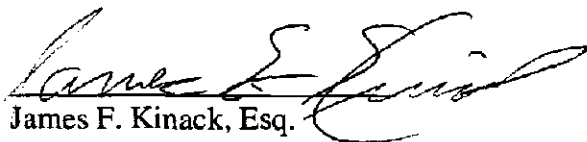
All balances are payable to NASD Regulation, Inc. and are due within 30 days of the award's date of service.

Concurring Arbitrators' Signatures



Eugene A. Taylor, Jr.
Chair, Public Arbitrator

Apr. 20, 00
Signature Date



James F. Kinack, Esq.
Public Arbitrator

4/20/00
Signature Date



Deborah C. Bernot, CFP
Non-Public Arbitrator

4/20/00
Signature Date

4/20/00
Date of Service