

Award
NASD Dispute Resolution, Inc.

In the Matter of the Arbitration Between:

Steven A. Mears, Claimant v. Jeffrey W. Candido and Olde Discount Corporation, Respondents

Case Number: 99-01073

Hearing Site: Los Angeles, California

REPRESENTATION OF PARTIES

For Claimant:

Jared R. B. Hutton, Esq.
Law Offices of Jared R. B. Hutton
Santa Monica, California

For Respondents Jeffrey W. Candido
and Olde Discount Corporation:

Patrick Baldwin, Esq.
Law Offices of Patrick Baldwin
Menlo Park, California

CASE INFORMATION

Statement of Claim filed: March 5, 1999

Claimant's Uniform Submission Agreement signed: March 4, 1999

Joint Statement of Answer filed by Respondents Jeffrey W. Candido and Olde Discount Corporation: May 11, 1999

Respondent Olde Discount Corporation's Uniform Submission Agreement signed: April 21, 1999

Respondent Jeffrey W. Candido's Uniform Submission Agreement signed: May 10, 1999

CASE SUMMARY

Claimant alleged unsuitability, breach of fiduciary duty, fraud, failure to supervise, violation of NASD Rules of Fair Practice, and violation of NYSE Rules in connection with the sale and/or purchase of Cirrus Logic and Tellabs stocks.

Respondents denied the allegations of wrongdoing set forth in the Claimant's Statement of Claim.

RELIEF REQUESTED

Claimant requested compensatory damages of \$90,000.00 and sought return of Respondents' profits on the account in an amount not less than \$10,000.00. Claimant also sought punitive damages, interest, reimbursement of attorney's fees, and costs of arbitration.

Respondents requested dismissal of the Claimant's Statement of Claim in its entirety and sought reimbursement of attorney's fees and costs of arbitration.

OTHER ISSUES CONSIDERED AND DECIDED

The parties 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, testimony, and evidence presented at the hearing, the Panel decided in full and final resolution of the issues submitted for determination as follows:

- 1) Respondent Olde Discount Corporation is liable to and shall pay Claimant \$10,260.00 in compensatory damages.
- 2) The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Jeffrey W. Candido's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 99-09, Respondent Jeffrey W. Candido must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.
- 3) Each party shall bear its own costs, including attorney's fees.
- 4) All other relief not expressly granted is denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

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

Initial claim filing fee	= \$ 150.00
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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 events that gave rise to the dispute, claim, or controversy. Accordingly, the member firm Olde Discount Corporation is a party and the following fees are assessed:

Member Surcharge	= \$ 1,000.00
Pre-Hearing Process Fee	= \$ 600.00
<u>Hearing Process Fee</u>	= \$ 1,500.00
Total Member Fees	= \$ 3,100.00

Adjournment Fees

The following adjournment fees are assessed:

April 11-13, 2000, adjournment requested by Respondent Olde Discount Corporation	= \$ 500.00
March 6-9, 2001, adjournment requested by Respondent Olde Discount Corporation	= \$ 1,000.00

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 the Panel @ \$ 500.00/session	= \$ 500.00
Pre-hearing conference: October 1, 1999 1 session	
16 Hearing sessions @ \$ 500.00/session	= \$ 8,000.00
Hearings:	
July 18, 2000 2 sessions	
July 19, 2000 2 sessions	
July 20, 2000 2 sessions	
July 21, 2000 2 sessions	
May 22, 2001 2 sessions	
May 23, 2001 2 sessions	
May 24, 2001 2 sessions	
May 25, 2001 2 sessions	
Total Forum Fees	= \$ 8,500.00

1. The Panel assessed \$ 4,250.00 of the forum fees to Claimant Steven A. Mears.
2. The Panel assessed \$ 4,250.00 of the forum fees to Respondent Olde Discount Corporation.

Administrative Costs

Administrative costs are expenses incurred because a party requested additional services beyond the normal administrative services. These additional services include, but are not limited to, additional copies of arbitrator awards, copies of audio transcripts, retrieval of documents from archives, interpreters, security, and other requests.

Respondent Olde Discount Corporation requested past awards:	= \$ 30.00
Respondent Olde Discount Corporation requested copies of tapes:	= \$180.00
Respondent Jeffrey W. Candido requested photocopies:	= \$ 6.00

Fee Summary

1. Claimant Steven A. Mears is charged with the following fees and costs:

Initial Filing Fee	= \$ 150.00
Forum Fees	= \$ 4,250.00
<u>Total Fees</u>	= \$ 4,400.00
<u>Less Payments</u>	= \$ (650.00)
Balance Due NASD Dispute Resolution, Inc.	= \$ 3,750.00

2. Respondent Olde Discount Corporation is charged with the following fees and costs:

Member Fees	= \$ 3,100.00
Adjournment Fee	= \$ 1,500.00
Forum Fees	= \$ 4,250.00
<u>Administrative Costs</u>	= \$ 210.00
<u>Total Fees</u>	= \$ 9,060.00
<u>Less Payments</u>	= \$(4,810.00)
Balance Due NASD Dispute Resolution, Inc.	= \$ 4,250.00

3. Respondent Jeffrey W. Candido is charged with the following fees and costs:

<u>Administrative Costs</u>	= \$ 6.00
Balance Due NASD Dispute Resolution, Inc.	= \$ 6.00

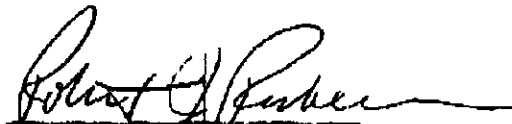
All balances are payable to NASD Dispute Resolution, Inc. and due upon receipt of the award pursuant to Rule 10330(g) of the Code.

NASD Dispute Resolution, Inc.
Arbitration No. 99-01073
Award Page 5 of 5

ARBITRATION PANEL

<i>Robert J. Ruben, Esq.</i>	-	<i>Public Arbitrator, Presiding Chair</i>
<i>Lou von Dyl</i>	-	<i>Public Arbitrator</i>
<i>Arnold Packer</i>	-	<i>Non-Public Arbitrator</i>

Concurring Arbitrators' Signatures


Robert J. Ruben, Esq.
Chair, Public Arbitrator

6/6/01
Signature Date

Lou von Dyl
Public Arbitrator

Signature Date

Arnold Packer
Non-Public Arbitrator

Signature Date

6-7-01
Date of Service

ARBITRATION PANEL

<i>Robert J. Ruben, Esq.</i>	•	<i>Public Arbitrator, Presiding Chair</i>
<i>Lou von Dyl</i>	-	<i>Public Arbitrator</i>
<i>Arnold Packer</i>	-	<i>Non-Public Arbitrator</i>

Concurring Arbitrators' Signatures

Robert J. Ruben, Esq.
Chair, Public Arbitrator

Signature Date

Lou von Dyl

6/4/2001

Lou von Dyl
Public Arbitrator

Signature Date

Arnold Packer
Non-Public Arbitrator

Signature Date

6-7-01

Date of Service

ARBITRATION PANEL

Robert J. Rubin, Esq.

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Public Arbitrator, Presiding Chair

Lee von Dyl

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Public Arbitrator

Arnold Packer

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Non-Public Arbitrator

Consenting Arbitrators' Statements

Robert J. Rubin, Esq.
Chair, Public Arbitrator

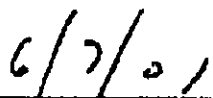
Signature Date

Lee von Dyl
Public Arbitrator

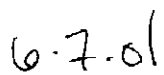
Signature Date



Arnold Packer
Non-Public Arbitrator



Signature Date



Date of Service