

**Award**  
**NASD Dispute Resolution, Inc.**

---

In the Matter of the Arbitration Between:

Vladimir and Anna Golovchinsky, Claimants v. Jack Arcadly Belikoff and Donaldson, Lufkin & Jenrette Securities Corporation, Respondents

Case Number: 99-01192

Hearing Site: Los Angeles, California

---

**REPRESENTATION OF PARTIES**

For Claimants:

Jonathan Schwartz, Esq.  
Law Office of Jonathan Schwartz  
Marina Del Rey, California

For Respondents:

Susan L. Hoffman, Esq.  
McCutchen, Doyle, Brown, Enersen LLP  
Los Angeles, California

**CASE INFORMATION**

Statement of Claim filed: March 1, 1999

Claimants' Uniform Submission Agreement signed: March 9, 1999

Joint Statement of Answer filed by Respondents Jack Arcadly Belikoff and Donaldson, Lufkin & Jenrette Securities Corporation: July 1, 1999

Respondent Jack Arcadly Belikoff's Uniform Submission Agreement signed: October 25, 1999

Donaldson, Lufkin & Jenrette Securities Corporation's Uniform Submission Agreement signed: July 1, 1999

**CASE SUMMARY**

Claimants alleged excessive trading, unsuitability, breach of fiduciary duty, and failure to supervise.

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

### **RELIEF REQUESTED**

Claimants requested \$175,000.00 in commissions paid, plus interest and a reasonable rate of return on their investment.

Respondents requested dismissal of the Claimants' Statement of Claim in its entirety, and sought reimbursement for 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) Respondents Jack Arcadly Belikoff and Donaldson, Lufkin & Jenrette Securities Corporation are jointly and severally liable to and shall pay Claimants \$200,000.00 in compensatory damages.
- 2) Respondents Jack Arcadly Belikoff and Donaldson, Lufkin & Jenrette Securities Corporation are jointly and severally liable to and shall pay Claimants \$65,000.00 in pre-award interest.
- 3) Respondents Jack Arcadly Belikoff and Donaldson, Lufkin & Jenrette Securities Corporation are jointly and severally liable to and shall pay Claimants interest at the rate of 10% per annum simple interest on \$265,000.00 from the date of award until the sum is paid in full.
- 4) Each party shall bear its own costs, including attorney's fees.
- 5) All other relief requested 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	= \$ 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 Donaldson, Lufkin & Jenrette Securities Corporation 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>
<b>Total Member Fees</b>	<b>= \$ 4,600.00</b>

#### **Forum Fees and Assessments**

The Chair or 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 Chair or Panel. The following fees are assessed:

(1) Pre-hearing conference session with a single arbitrator @ \$ 300.00/session	= \$ 300.00
September 5, 2000 1 session	

(1) Pre-hearing conference session with the Panel @ \$750.00/session	= \$ 750.00
March 30, 2000 1 session	

(8) Hearing sessions @ \$750.00/session	= \$ 6,000.00
September 26, 2000 2 sessions	
September 27, 2000 2 sessions	
September 28, 2000 2 sessions	
November 27, 2000 2 sessions	

<b>Total Forum Fees</b>	<b>= \$ 7,050.00</b>
-------------------------	----------------------

1. The Panel assessed \$3,525.00 of the forum fees jointly and severally to Claimants Vladimir and Anna Golovchinsky.
2. The Panel assessed \$3,525.00 of the forum fees jointly and severally to Respondents Jack

2. The Panel assessed \$3,525.00 of the forum fees jointly and severally to Respondents Jack Arcadly Belikoff and Donaldson, Lufkin & Jenrette Securities 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.


- |   |            |
|---|------------|
| 1. Claimants Vladimir and Anna Golovchinsky requested two tapes:                          | = \$ 30.00 |
| 2. Respondent Donaldson, Lufkin & Jenrette Securities Corporation requested eleven tapes: | = \$165.00 |

**Fee Summary**

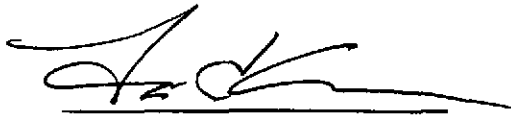
- |   |                 |
|---|-----------------|
| 1. Claimants are charged jointly and severally with the following fees and costs:   |                 |
| Initial Filing Fee  | = \$ 200.00     |
| Forum Fees  | = \$ 3,525.00   |
| <u>Administrative Costs</u>   | = \$ 30.00      |
| Total Fees  | = \$ 3,755.00   |
| <u>Less Payments</u>  | = \$ (980.00)   |
| Balance Due NASD Dispute Resolution, Inc.   | = \$ 2,775.00   |
| 2. Respondent, Donaldson, Lufkin & Jenrette Securities Corporation, is charged with the following fees and costs:   |                 |
| Member Fees   | = \$ 4,600.00   |
| <u>Administrative Costs</u>   | = \$ 165.00     |
| Total Fees  | = \$ 4,765.00   |
| <u>Less Payments</u>  | = \$ (5,365.00) |
| Overpayment   | = \$ (600.00)   |
| 3. Respondents, Jack Arcadly Belikoff and Donaldson, Lufkin & Jenrette Securities Corporation, are charged jointly and severally with the following fees and costs: |                 |
| Forum Fee   | = \$ 3,525.00   |
| <u>Less Overpayment</u>   | = \$ (600.00)   |
| Balance Due NASD Dispute Resolution, Inc.   | = \$ 2,925.00   |

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

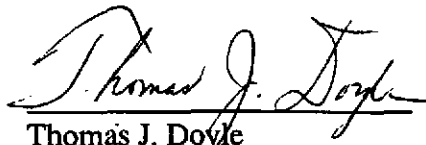
Concurring Arbitrators' Signatures

  
Donald S. Simons, Esq.  
Chair, Public Arbitrator

11-27-00  
Signature Date

  
Lisa C. Anderson, Esq.  
Public Arbitrator

11-27-00  
Signature Date

  
Thomas J. Doyle  
Non-Public Arbitrator

11/27/00  
Signature Date

November 27, 2000  
Date of Service