

Award
NASD Dispute Resolution, Inc.

In the Matter of the Arbitration Between:

Yousef Amer and Reema Amer, (Claimants) vs. Josephthal & Co., Inc. and Nick Son,
(Respondents)

Case Number: 99-02708

Hearing Site: New York, New York

REPRESENTATION OF PARTIES

Claimants, Yousef Amer and Reema Amer, hereinafter collectively referred to as "Claimants":
Douglas R. Hirsch, Esq., Sadis & Goldberg LLC, New York, NY.

Respondents, Josephthal & Co., Inc. ("Josephthal") and Nick Son ("Son"), hereinafter
collectively referred to as "Respondents": Brian J. Neville, Esq., Kogan, Taubman &
Neville, L.L.C., New York, NY.

CASE INFORMATION

Statement of Claim filed on or about: June 10, 1999.

Claimants signed the Uniform Submission Agreement: June 2, 1999.

Statement of Answer filed by Respondent on or about: August 20, 1998.

Josephthal signed the Uniform Submission Agreement: August 20, 1999.

Son signed the Uniform Submission Agreement: August 20, 1999.

CASE SUMMARY

Claimants asserted the following causes of action: breach of fiduciary duty; negligence;
unauthorized trades; common law fraud; unsuitability; violation of Rule 10 b-5;
misrepresentations; and breach of contract. Claimants' claim involved the stocks of Ebay
Inc., Yahoo Inc., Sovereign Bancorp Inc., Aware Inc., and America Online Inc.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the
Statement of Claim and asserted the following defenses: Claimants have failed to state a
cause of action upon which relief may be granted; Respondents did not act with any intent to
defraud Claimants or with any willful disregard for them; the damages claimed in the
Statement of Claim are not the result of any act or omission on the part of Respondents; the
actions or inactions of Claimants, not Respondents, caused the losses of which they
complain; Claimants ratified and approved all transactions and commissions in their accounts;
Claimants waived the claims asserted herein; Claimants by their own conduct, sophistication,
and under all circumstances of this case are estopped from asserting the claims herein; events

occurred not caused by Respondents which constitute superseding or intervening causes of some or all of the alleged losses of which Claimants complain; any and all duties owed to Claimants were fully and faithfully performed; Respondents had no fiduciary duty to Claimants as a matter of law; and there was no negligence on the part of Respondents in the handling of Claimants' accounts.

RELIEF REQUESTED

Claimants requested compensatory damages in the amount of \$70,000.00, plus interest, costs, attorneys' fees, and punitive damages.

Respondents requested that the Statement of Claim be dismissed in its entirety.

OTHER ISSUES CONSIDERED AND 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.

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 hereby dismissed in their entirety.
2. Josephthal be and hereby is liable for and shall pay to Claimant the sum of \$112.50, to reimburse Claimants for one half of the filing fee previously paid to NASD Dispute Resolution, Inc.
3. All other requests for relief are hereby denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

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

Initial claim filing fee = \$ 225.00

Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firm that employed the associated person at the time of the events giving rise to the dispute. In this matter, Josephthal & Co., Inc. is a party.

Member surcharge	= \$1,000.00
Pre-hearing process fee	= \$ 600.00
Hearing process fee	= \$1,500.00

Forum Fees and Assessments

The Panel assesses forum fees for each hearing session conducted. A hearing session is any meeting between the parties and the arbitrators, including a pre-hearing conference with the arbitrators, that lasts four (4) hours or less. Fees associated with these proceedings are:

One (1) Pre-hearing session with Panel x \$750.00	= \$ 750.00
Pre-hearing conference: July 7, 2000	1 session

Eleven (11) Hearing sessions x \$750.00	= \$8,250.00
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Hearing Dates:	September 14, 2000	2 sessions
	September 15, 2000	2 sessions
	September 21, 2000	2 sessions
	November 1, 2000	2 sessions
	November 2, 2000	1 session
	December 11, 2000	2 sessions

Total Forum Fees	= \$9,000.00
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1. The Panel has assessed \$4,500.00 of the forum fees jointly and severally against Claimants.
2. The Panel has assessed \$4,500.00 of the forum fees against Josephthal.

Administrative Costs

Administrative costs are expenses incurred due to a request by a party for special services including, but not limited to, additional copies of arbitrator awards beyond those provided without charge, copies of audio transcripts, retrieval of documents from archives, interpreters, and security.

1. Josephthal, requested tapes, \$195.00.

Fee Summary

1. Claimants be and hereby are jointly and severally liable for:

Initial Filing Fee	= \$ 225.00
<u>Forum Fees</u>	= \$4,500.00
Total Fees	= \$4,725.00
<u>Less payments</u>	= \$ 975.00
Balance Due NASD Dispute Resolution, Inc.	= \$3,750.00

As stated in the "Award" section above, Josephthal is liable and shall reimburse Claimants for one half of the \$225.00 filing fee.


2. Josephthal be and hereby is solely liable for:

Member Fees	= \$3,100.00
Forum Fees	= \$4,500.00
<u>Administrative Costs</u>	= \$ 195.00
Total Fees	= \$7,795.00
<u>Less payments</u>	= \$3,340.00
Balance Due NASD Dispute Resolution, Inc..	= \$4,455.00

All balances are due and payable to NASD Dispute Resolution, Inc.

Concurring Arbitrators' Signatures

I, the undersigned arbitrator, 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.



Marc T. Danon, Esq.
Public Arbitrator, Presiding Chair

Signature Date

Richard D. DeKoster
Public Arbitrator

Signature Date

Michael T. Curley
Industry Arbitrator

Signature Date

January 23, 2001
Date of Service (For NASD office use only)

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Marc T. Danon, Esq.
Public Arbitrator, Presiding Chair

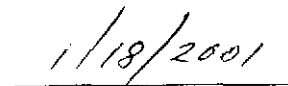
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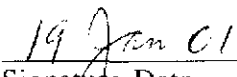
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