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In the Matter of the Arbitration Between :

Alice F. Mathes :

Claimant :

vs. :

Richard Blackman & Co., Inc. :

Respondent :

CASE SUMMARY

Claimant Alice F. Mathes alleged that Respondent Richard Blackman & Co., Inc. sold stock in her and her husband's joint name without her authorization. Specifically, Claimant alleged that Respondent sold 60 shares of BPI Resources, LTD. in the account of her husband, Frederick Mathes. Claimant alleged that this stock was purchased in her and her husband's joint name, and therefore, Respondent needed both the authorization of her and her husband before selling stock in the account. As a result of this unauthorized trade, Claimant alleged she suffered tax losses.

Respondent maintained that Frederick Mathes had been given a power of attorney by Alice Mathes to sign his wife's name to documents registered jointly with her. Respondent contended that the Claimant's signature did appear on the stock certificate, and Respondent relied on its authenticity. Respondent also asserted a third-party claim against the Estate of Frederick Mathes for indemnification, alleging that any losses suffered by the Claimant were a direct result of the actions taken by Frederick Mathes.

RELIEF REQUESTED


Claimant requested actual damages of \$2,538.08, plus costs. Respondent requested dismissal of the Statement of Claim in its entirety and, if any award is rendered against it, to be fully indemnified from the Estate of Frederick Mathes.

AWARD

On November 28, 1989, the undersigned arbitrator heard the controversy between the parties as set forth in submissions to arbitration signed by Claimant Alice F. Mathes on October 30, 1986, and by Respondent Richard Blackman & Co., Inc. on January 8, 1987. The hearing was conducted at the offices of the National Association of Securities Dealers, Inc. located in New York City, New York, and consisted of one (1) hearing session. The arbitration panel, having considered the pleadings, the testimony, and the evidence presented at the hearing, has determined in full and final resolution of the issues submitted for determination as follows:

1. All claims against Respondent Richard Blackman & Co., Inc. be and hereby are dismissed in their entirety.
2. Respondent Richard Blackman & Co., Inc.'s third-party claim against the Estate of Frederick Mathes be and hereby is dismissed in its entirety.
3. The parties shall each bear their respective costs including attorney's fees.
4. Pursuant to Section 43 of the Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. shall retain the \$25.00 filing fee previously deposited by the Claimant as costs of the one (1) hearing session conducted in this matter.

CONCURRING ARBITRATOR


JOSEPH J. ARATA, ESQ.

DATED: December 13th, 1989