

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between

Sara May Schmunk

Claimant

vs.

First Florida Securities Group, Inc., Monvest Securities, Inc. and
Richard S. Hoffman, Jr.

Respondents

AWARD

CASE NO. 87-00914

SUMMARY OF ISSUES

This case was filed with the National Association of Securities Dealers, Inc. ("NASD") on May 4, 1987. Claimant alleged that Respondents failed to execute sell orders placed on JOCOM and ICOM securities and failed to deliver her securities in a timely manner when Monvest Securities, Inc. ("Monvest") was acquired by First Florida Securities Group, Inc. ("First Florida").

Respondent First Florida denied the allegations and maintained that the claim concerns the activities of Respondent Richard S. Hoffman, Jr. ("Hoffman") while acting as a stock broker at Monvest and that the securities in question were never delivered to First Florida, thus it could not have executed the alleged sell orders without delivery within the prescribed period. Respondent First Florida further maintained that Claimant attempted to place stop-loss orders on the securities in question which is not possible on O-T-C securities.

Respondent Monvest denied the allegations and maintained that it was fully able to deliver ICOM shares on behalf of Claimant in August but due to a clerical error with its clearing broker the shares were not delivered until the end of the year.

Respondent Hoffman, duly served with the Statement of Claim pursuant to the NASD Code of Arbitration Procedure, did not file a Statement of Answer.

DAMAGES AND RELIEF REQUESTED

Claimant requested damages, as amended at the hearing, in the amount of \$35,500.00 plus interest at 10% on sums awarded.

Respondent First Florida requested dismissal of the claim.

Respondent Monvest requested dismissal of the claim.

Respondent Hoffman did not file a Statement of Answer.

DAMAGES AND RELIEF AWARDED

On February 9, 1990, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed by Claimant on April 24, 1987 and by Respondents First Florida on October 26, 1987 and by Monvest on June 26, 1987. Respondent Hoffman did not file a submission agreement but is subject to the jurisdiction of this arbitration pursuant to the NASD Code of Arbitration Procedure.

The hearing was held in Los Angeles, California and lasted one 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. Respondents are hereby jointly and severally liable for and shall pay to Claimant the sum of Twenty-One Thousand, Five Hundred Twenty-Two Dollars and Zero Cents (\$21,522.00).

2. Respondents are further jointly and severally liable for and shall pay to Claimant interest at 10% on the principal sum of \$21,522.00 from July 31, 1986 to the date the award is paid.

3. The parties shall each bear their respective costs including attorneys' fees.

4. Pursuant to Section 43 of the NASD Code of Arbitration Procedure:

- a. the NASD shall retain the \$500.00 filing fee previously deposited by Claimant;
- b. Respondents are jointly and severally assessed the sum of \$500.00 representing the filing fee and shall reimburse Claimant directly.

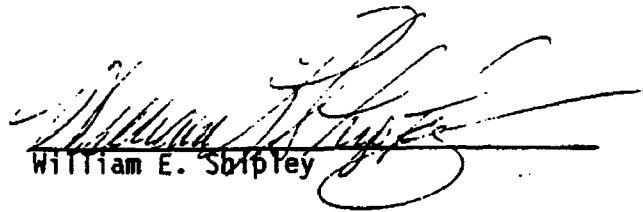
OTHER ISSUES

Respondents were duly notified of the arbitration hearing in accordance with the NASD Code of Arbitration Procedure and are subject to the

jurisdiction of this forum. None of the Respondents appeared at the arbitration hearing.

PRESIDING ARBITRATORS

DATE SERVED: 03/23/90



William E. Shipley