

## NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

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In the Matter of the Arbitration Between	)	
	)	
MARTIN SHEVRIN,	)	
	)	
Claimant,	)	
	)	Case #87-00975
vs.	)	Award
	)	
BROADCHILD SECURITIES CORP., PRUDENTIAL-BACHE	)	
SECURITIES, INC., JANNEY MONTGOMERY SCOTT, INC.,	)	
and EDWARD BEAUDETTE.	)	
	)	
Respondents.	)	
	)	

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On April 11, 1989, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed by Claimant on May 16, 1987; and by Respondents, Broadchild Securities Corp. ("Broadchild") on April 18, 1989; Prudential-Bache Securities, Inc. ("Prudential") on August 5, 1987, and Janney Montgomery Scott, Inc. ("Janney") on August 17, 1987; and not signed by Respondent, Edward Beaudette ("Beaudette"), as required by Section 12(a) of the NASD, Inc. Code of Arbitration Procedure ("Code"), Beaudette being a person associated with NASD, Inc. member firms, Broadchild, Prudential and Janney, during the time this controversy arose. Having considered the pleadings, the testimony, and the evidence presented at the hearing, and Beaudette neither appearing at the hearing nor seeking any adjournment thereof, notwithstanding his knowledge of this arbitration as evidenced by Arbitrator's Exhibit #2A through L, this arbitration panel has determined in full and final resolution of the issues submitted for determination as follows:

1. Jurisdiction over Beaudette exists by virtue of the Forms U-4 executed by Respondent Beaudette at the three Respondent member firms, and pursuant to Sections 12 and 25 of the Code.
2. Although the reasons are set forth in the record of proceedings for finding of adequate notice to Respondent Beaudette, the reasons will again be set forth here. The NASD, Inc. has made every attempt to locate and serve Respondent Beaudette with Notice of this hearing as demonstrated by the following record evidence:
  - a. June 30, 1987, Service of Claim on Beaudette in Bayside, N.Y., with certified mail receipt signed by Beaudette on July 15, 1987. (Arb. Ex. 2-A.)
  - b. November 24, 1987, Overdue Notice of Answer sent to Beaudette by certified mail. (Arb. Ex. 2-B.)
  - c. November 24, 1987, Overdue Notice returned to NASD by Postal Service after attempted forwarding to Oakland Tandem, N.Y. (Arb. Ex. 2-C.)
  - d. January 8, 1988, Situs Memo mailed to Beaudette and never returned. (Arb. Ex. 2-D.)

- e. April 12, 1988, Representation Letter to NASD from attorney Cirino Bruno, requesting copies of claims. (Arb. Ex. 2-E.)
  - f. June 8, 1988, Service of Answer with Cross Claim against Beaudette on Beaudette's attorney Cirino Bruno. (Arb. Ex. 2-F.)
  - g. September 9, 1988, Overdue Notice of Answer served on Beaudette's attorney. (Arb. Ex. 2-G.)
  - h. November 1, 1988, Letter to NASD from Beaudette's attorney stating that the attorney does not represent Beaudette. (Arb. Ex. 2-H.)
  - i. December 6, 1988, Memorandum to Beaudette confirming the hearing dates of April 11 and 12, 1989, sent by certified mail to Oakland Tandem, N.Y.; returned to the NASD; remailed certified to new address in Great Neck, N.Y.; returned to the NASD; remailed uncertified to Great Neck address and never returned. (Arb. Ex. 2-I.)
  - j. December 6, 1988, Pre-hearing Memorandum to Beaudette confirming hearing dates of April 11 and 12, 1989, sent to Great Neck with certified mail receipt signed as received February 10, 1989. (Arb. Ex. 2-J.)
  - k. March 9, 1989, Case Packet and Notice of Arbitrators to Beaudette by certified mail. (Arb. Ex. 2-K.)
  - l. March 9, 1989, Case Packet returned to NASD by Postal Service after attempted forwarding from Oakland Tandem, N.Y. to Great Neck, N.Y. and attempted delivery on March 16 and 21 and April 2, 1989. (Arb. Ex. 2-L.)
- 3. The claim against Prudential was withdrawn by Claimant at the hearing on April 11, 1989 and is, therefore, dismissed in all respects.
  - 4. The claim against Janney was settled between Claimant and Janney as represented at the hearing on April 11, 1989 by counsel for each party.
  - 5. Respondents, Broadchild and Beaudette, shall be and hereby are liable, jointly and severally, and shall pay to the Claimant the amount of Twenty-Eight Thousand Five Hundred Thirty-One and 10/100 Dollars (\$28,531.10) inclusive of interest.
  - 6. Respondents, Broadchild and Beaudette, shall be and hereby are liable, jointly and severally, and shall pay to the Claimant the further amount of Thirty-One Thousand One Hundred Ninety-Six and 25/100 Dollars (\$31,196.25) in treble damages pursuant to the Florida Civil Theft Statute, Sections 812.014 and 772.11, Florida Statutes.

7. Respondents, Broadchild and Beaudette, shall be and hereby are liable, jointly and severally, and shall pay to the Claimant the further amount of Fourteen Thousand One Hundred Fifty-Five and 00/100 Dollars (\$14,155.00) for attorney's fees pursuant to Section 517.211, Florida Statutes.
8. Cross-Respondent, Beaudette, shall be and hereby is liable to the Respondent/Cross-Claimant, Broadchild, and shall pay to Broadchild the amount of Thirty-Five Thousand and 00/100 Dollars (\$35,000.00).
9. Pursuant to Section 43 of the Code of Arbitration Procedure, Respondent Broadchild shall be and hereby is assessed forum fees in the amount of Five Hundred and 00/100 Dollars (\$500.00) to be paid directly to Claimant. The National Association of Securities Dealers, Inc. shall retain the Five Hundred and 00/100 Dollar (\$500.00) filing fee previously deposited by the Claimant for such forum fees.
10. The parties shall each bear all other costs and expenses incurred by them in connection with this proceeding.

  
John B. Kelley, Esq.

Dated: May 19, 1989