

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between	:	
	:	
Carl Berlow & Norma Berlow	:	AWARD
	:	
Claimants	:	#87-01861
	:	
vs.	:	
	:	
PaineWebber, Inc.	:	
Rotan Mosle, Inc.	:	
Jonathan Mirer	:	
	:	
Respondents	:	

Case Summary

This proceeding was commenced by the Claimants to recover damages from the Respondents arising from the purchase of the common shares of Nationwide Power ("Nationwide"), an over-the-counter security. The Claimants alleged that the respondents Rotan Mosle, Inc. ("Mosle") and its registered representative, John Mirer ("Miran"), recommended the purchase of Nationwide stock, that such securities were speculative and unsuitable for the Claimants, and that the Respondents should have known that Nationwide was not financially sound and or insolvent at the time of purchase. The Respondents contended that Mirer recommended the purchase of Nationwide to the Claimants based on publicly available information, that the Claimants purchased Nationwide as an investment with short term gain potential and risk without any guarantees and that the investment was similar to previous other transactions executed by the Claimants. The Respondents also brought a counterclaim against the Claimants on the basis that the claim was without merit.

Relief Requested

Claimants requested an award against the Respondents, jointly and severally, in the sum of \$163,179.46, together with costs, interest and expenses including attorney fees. Respondents requested a dismissal of the claim and an award of \$10,000.00 against Claimants pursuant to the counterclaim.

Award

On November 22, 1988, January 12, March 14 and April 25, 1989, in New York, New York, the undersigned arbitrators heard the controversy between the parties set forth in submissions to the arbitrators by the Claimant on September 29, 1987. 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:

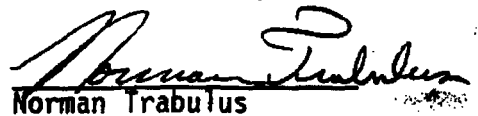
1. The Respondents PaineWebber, Inc., and Mosle shall be jointly and severally liable to the Claimants Carl Berlow and Norma Berlow and shall pay the sum of Twenty One Thousand Two Hundred fifty Dollars and No Cents (\$21,250.00), such amount representing the Claimants actual damages.
2. The Respondent Mirer shall be liable to the Claimants and shall pay the sum of Three Thousand Seven Hundred Fifty Dollars (\$3,750.00), such amount representing Claimants actual damages.
3. The Claimant's claim for interest against the Respondents shall be denied.
4. The parties shall each bear their respective costs including attorney fees.
5. Respondents counterclaim against the Claimants shall be denied.
6. The arbitration panel has fully considered all claims and counterclaims and the above constitutes its final awards.

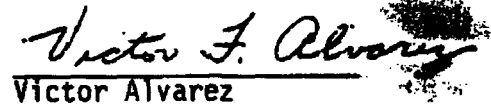
7. Pursuant to Section 43 of the Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. shall retain the Seven Hundred Fifty Dollars and No Cents (\$750.00) filing fee previously deposited by the Claimant. The Respondents PaineWebber, Inc. and Mosle shall be assessed the sum of Five Thousand Two Hundred Fifty Dollars and No Cents (\$5,250.00) in forum costs for seven of the hearing sessions conducted.

This day July 13, 1989

DATED: July 19, 1989

  
David M. Kaplan

  
Norman Trabulus

  
Victor Alvarez