

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Julian W. Cole

Claimant(s)

vs.

The Stuart-James Co., Inc.,
Dennis R. Schardt
and John Sutton

Respondent(s)

NOTICE OF ARBITRATION
AWARD
88-01009

CASE SUMMARY

Claimant(s) Julian W. Cole alleged that Respondent(s) The Stuart-James Co., Inc., Dennis R. Schardt and John Sutton executed unauthorized transactions in Claimant's account. Respondent(s) The Stuart-James Co., Inc. and John Sutton deny all allegations. Respondent Dennis R. Schardt did not respond.

RELIEF REQUESTED

Claimant(s) Julian W. Cole requested damages of One Thousand Nine Hundred Twelve Dollars and No Cents (\$1,912.00). Respondent(s) requested dismissal of claim and costs and, in the event Claimant should prevail in this matter, entered a cross-claim against Respondent Dennis R. Schardt for the amount of the award, costs, and attorney's fees and expenses.

AWARD

Pursuant to Section 13 of the NASD, Inc. Code of Arbitration Procedure ("Simplified Arbitration") a single arbitrator, Delores I. Smith, Esq., was selected to review and determine the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimant(s) on March 23, 1988 and by Respondent(s) The Stuart-James Co., Inc., and John Sutton on June 8, 1988, and not by Respondent Schardt as required by Section 12(a) of the NASD, Inc. Code of Arbitration Procedure, respectively;

And, that the Arbitrator, having considered the proofs of the Parties, including any additional documentary submissions of the Claimant(s) and the Respondents(s) has decided and determined in full and final resolution of the issue submitted for determination as follows:

- 1) The Respondents The Stuart-James Co., Inc. and Dennis R. Schardt are jointly and severally liable and shall pay the sum of One Thousand Nine Hundred Twelve Dollars and No Cents (\$1,912.00) to the Claimant; and

- 2) The Respondent Sutton is released of any liability in this matter; and
- 3) The Respondent The Stuart-James Co., Inc.'s cross claim against Schardt for indemnification and reasonable attorney's fees is granted. The amount of the cross claim award is Three Thousand Four Hundred Twelve Dollars and No Cents (\$3,412.00), consisting of One Thousand Nine Hundred Twelve Dollars and No Cents (\$1,912.00) for indemnification and One Thousand Five Hundred Dollars and No Cents (\$1,500.00) for reasonable attorney's fees.

The parties shall each bear their respective costs including attorney's fees.

The \$25.00 filing fee previously deposited with the NASD, Inc. by the Claimant(s) shall be refunded to the Claimant by the Respondents.

November 3, 1989