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## NATIONAL ASSOCIATION OF SECURITIES DEALERS

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In the Matter of the Arbitration Between	:	
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Bobby L. and Debra J. Thomason	:	AWARD
	:	
Claimants	:	#88-01014
	:	
vs.	:	
	:	
Blinder, Robinson & Co., Inc.	:	
Dan Rosen	:	
Brian Sengson	:	
Respondents	:	
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Case Summary

Claimants Bobby L. and Debra J. Thomason ("Thomasons") claims against Respondents Blinder, Robinson & Co., Inc. ("Blinder"), Dan Rosen ("Rosen") and Brian Sengson ("Sengson") arise from the offer and sale of several over-the-counter stocks. The Thomasons alleged that the Respondents recommended the purchase of several over-the-counter stocks which were unsuitable for the Claimants. The Thomasons alleged that the Respondents made false and deceptive statements, including claims that Blinder's brokers do not charge commissions, in order to induce the Thomasons to invest in the stocks. The Thomasons also alleged violations of various rules of the NASD, including rules governing suitability, supervision and mark-ups. In addition to those violations, the Thomasons alleged violations of state and federal securities laws and the Georgia and federal RICO acts.

Blinder alleged that the Claimants were aware of the speculative nature of their investment and the related risk. In addition, Blinder alleged that the Respondents did not misrepresent information concerning the purchase of the stocks to the Claimants. Further, Blinder made crossclaims against its former brokers, Rosen and Sengson, for contribution or indemnification with regard to the asserted claims.

Relief Requested

The Claimants requested recovery of approximately \$17,000.00 as compensatory damages, emotional distress damages, punitive damages, RICO damages, attorney fees and legal expenses in the amount of \$41,709.56. Blinder requested a dismissal of the claim or in the alternative judgement against Rosen and Sengson for any or all damages owed to Claimants. Rosen and Sengson requested a dismissal of the claim and that the costs of the proceeding be assessed against the Claimants.

Award

On April 12, May 2 and June 9, 1989 in Atlanta, Georgia, the undersigned arbitrators heard the controversy between the parties as submitted to arbitration by Claimant on May 5, 1988. 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 Respondent Blinder shall be liable and shall pay to the Claimants the sum of Seventeen Thousand Fifty Nine Dollars and Forty One Cents (\$17,059.41), such amount representing Claimants' damages.
2. The Respondent Rosen shall be liable and shall pay to the Claimants the sum of Two Thousand Dollars and No Cents (\$2,000.00), such amount representing Claimants' damages.
3. The Respondent Sengson shall be liable and shall pay to the Claimants the sum of Two thousand Dollars and No Cents (\$2,000.00), such amount representing Claimants' damages.
4. The Respondent Blinder shall be liable and shall pay to the Claimants the sum of Nineteen Thousand Dollars and No Cents (\$19,000.00), such amount representing the Claimants' attorney fees and expenses.

5. The parties shall each bear their other respective costs including attorney fees.
6. The claim of the Claimants for punitive damages and RICO shall be denied.
7. Pursuant to Section 43 of the Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. shall retain the \$400.00 filing fee previously deposited by the Claimant. In addition, pursuant to Section 43 of the Code, the Respondents shall be assessed \$2,000.00 in forum fees.

This day June \_\_, 1989

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Barry P. Harris IV

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Nicholas W. Quick

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Ronald W. Lankford