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Case #88-02026
AWARD

Claimant alleged that Respondents executed an unauthorized regular short sale of shares of common stock on or about February 23, 1987 contrary to Claimant's instructions to execute a "short sale against the box". The Claimant further alleged that he was forced to cover the regular short sale of the stock when the stock was at a higher price. Respondent, North American Investment Corp. maintained that the Claimant could not short a security against a "box" of unregistered securities and denied any responsibility for any losses sustained by the Claimant. Respondent, Jordan Nolan maintained that North American Investment Corp. negligently approved and executed the short against the box sale using restricted shares and without authorization of the Claimant corrected the short against the box sale to a straight short sale.


Claimant requested relief in the amount of \$30,600.00 Respondent, North American Investment Corp. requested that it be awarded costs and attorneys fees incurred and asserted a third party claim against Jordan Nolan for the amount of any judgement rendered against North American Investment Corp. plus all costs. Respondent, Jordan Nolan requested that the third party claim be dismissed and it be the sole responsibility of North American Investment Corp. to pay any monetary damages to the Claimant. Respondent, Jordan Nolan further asserted an unspecified damage claim against North American Investment Corp. as a counterclaim for lost time, opportunity, and damaged reputation and record along with reimbursement of costs and attorneys fees.


AWARD

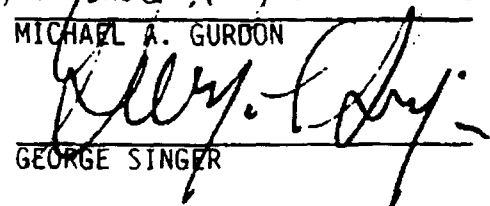
On August 25, 1989 the undersigned arbitrators heard the controversy between the parties in Burlington, Vermont in 2 hearing sessions as set forth in submissions to the arbitration panel signed by the Claimant on June 22, 1988, by Respondent, North American Investment Corp. on August 22, 1988 and by Respondent, Jordan Nolan on January 12, 1989. The initial claim was filed with the National Association of Securities Dealers, Inc. on June 23, 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. Respondent, North American Investment Corp. shall be liable and shall pay to the Claimant the sum of Thirty-Two Thousand Six Hundred Thirty Dollars and No Cents (\$32,630.00).
2. The third party claim of North American Investment Corp. against Respondent, Jordan Nolan be and hereby is dismissed in all respects.
3. The counterclaim of Respondent, Jordan Nolan against North American Investment Corp. be and hereby is dismissed in all respects.
4. Each party shall bear their own costs and attorneys' fees.
5. All forum fees are specifically waived by the panel.
6. 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.

ARBITRATORS CONCURRING


KIRBY B. SCARBOROUGH


MICHAEL A. GURDON


GEORGE SINGER

Dated: October 13, 1989