

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between

Frances Addas

AWARD
#88-02072

vs.

Claimant

Cornwall Securities, Inc.
Irene Sullivan

Respondents

CASE SUMMARY

Claimant alleges that Respondents made unsuitable investments in a discretionary account over which Respondent Broker Irene Sullivan maintained control. Further, that Respondent Irene Sullivan made excessive purchases and sales of highly speculative, high risk stocks including Fibertech Industries Corporation, Fleetwood Petroleum Corporation and WTS Senetek CLB. Further, Respondent Irene Sullivan purchased triple tax free New York Municipal Bonds neglecting to consider that Ms. Addas was a New Jersey resident and that Mrs. Addas would not get the tax benefit she specifically sought. Further Cornwall Securities, Inc. failed to supervise Respondent Irene Sullivan.

Respondent Cornwall Securities, Inc. contends the Claimant alleges losses substantially greater than her entire actual investment failing to disclose numerous profitable transactions. Further, Mrs. Addas's transactions were suitable and on consent. Ms. Sullivan denies the allegations.

RELIEF REQUESTED

During the hearing Claimant amended her damage claim to \$229,343.10, plus interest of 10% per annum from July 31, 1987 to the date of the Award. Claimant also seeks punitive damages.

Respondent Cornwall Securities, Inc. seeks dismissal, costs and attorneys' fees. Respondent Irene Sullivan also seeks dismissal.

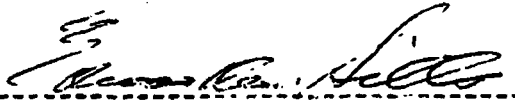
AWARD

On November 6, December 19, 1989 and April 23, May 23, 1990 in eight sessions in New York City, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed by Claimant, Frances Addas on June 15, 1988 and by Respondents Irene Sullivan on November 6, 1989 and by Cornwall Securities Inc. on September 19, 1988. The arbitration panel, having considered the pleadings, the testimony, and the evidence presented at the hearing, has determined in full and final resolution

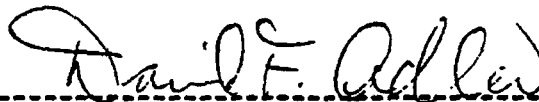
of the issues submitted for determination as follows:

1. Claims by Claimant be and hereby are dismissed in their entirety.
2. The parties shall each bear their respective costs including attorneys' fees.
3. Pursuant to Section 43 of the Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. shall retain the \$750.00 filing fee previously deposited by the Claimant, and assess an additional \$4000.00 against Respondents Cornwall Securities Inc. and Irene Sullivan jointly and severally and an additional \$1250.00 against Claimant.

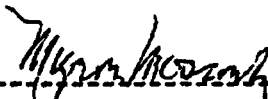
CONCURRING ARBITRATORS



Edward M. Sjalls, Esq.



David Adler



Myron Moscovitz, Esq.

Dated: July 13, 1990