

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between

Wilfred E. Calmas,

Claimant

vs.

North American Investment Corp.,
James Greenbaum and
Louis Robo,

Respondents

Case #88-02900

Award

CASE SUMMARY

Claimant alleges that the Respondents violated the Securities Exchange Commission Regulations, Massachusetts Blue Sky Laws and Massachusetts General Law Chapter 93A by providing him with inside and false information on North American Ventures, Inc. (NAVI). Claimant further alleges that he gave Louis Robo an order to sell NAVI at \$6.00 per share and Hospital Newspaper Group and that Robo told him that he had inside information that the securities would increase in value and persuaded him not to sell the securities. Claimant also alleges that Respondents fraudulently transferred his account, failed to advise him of the \$5.00 rule of marginability and did not have a margin agreement or authority to sell his securities at 2 1/2 per share.

Respondents, North American Investment Corp (NAI) and Robo, deny the allegations of wrongdoing and allege that Claimant did not give an order to sell the securities and that a margin account agreement was executed by the Claimant. Respondents, NAI and Robo, interposed a cross claim against Greenbaum for indemnification should it be found liable and a counterclaim against the Claimant for \$13,762.63, which represents a debit balance in Claimant's margin account.

Respondent, Greenbaum, denies the allegations of wrongdoing and alleges that his resignation was effective on October 7, 1987, prior to the date of the alleged order to sell and that this resignation terminated his agreement to indemnify NAI.

In response to the counterclaim, Claimant denies liability for the debit balance.

RELIEF REQUESTED

Claimant requests an award of \$54,000.00 for the fraudulent margin call, plus interest and costs, \$75,600.00, the value of the stock had the sell order been executed at \$6.00 per share and a dismissal of the counterclaim. Respondent, NAI and Robo, requests a dismissal of the claim or in the alternative an award against Greenbaum for indemnification, and an award in the amount of \$13,762.63 for the debit balance in Claimant's margin account. Respondent, Greenbaum, requests an award dismissing all claims against him.

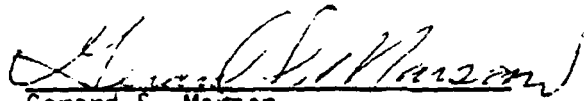
AWARD

On November 1, 1989, the undersigned arbitrators heard the controversy between the parties as set forth in a submission to arbitration signed by Claimant, Wilfred E. Calmas, on July 22, 1988 and by Respondents, North American Investment Corp. and Louis Robo. on March 22, 1989 and March 16, 1989. Respondent, James Greenbaum, did not execute a Submission Agreement, but appeared and participated in the proceeding without objection. The hearing was conducted in Boston, Massachusetts and consisted of two sessions. 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. All claims asserted by the Claimant are hereby dismissed in their entirety.
2. Claimant is hereby liable to Respondent, North American Investment Corp., on the counterclaim in the amount of Thirteen Thousand, Seven Hundred and Sixty-Two Dollars and Sixty-Three Cents (\$13,762.63).
3. All other claims are denied.
4. The parties shall each bear their respective costs including attorneys' fees.

5. Pursuant to Section 43 of the Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. shall retain the \$500.00 filing fee previously deposited by the Claimant and shall assess Respondent, North American Investment, Corp., \$500.00 in forum costs to be made payable to the NASD.

CONCURRING ARBITRATORS


Gerard S. Marsan

Cornelius McAuliffe

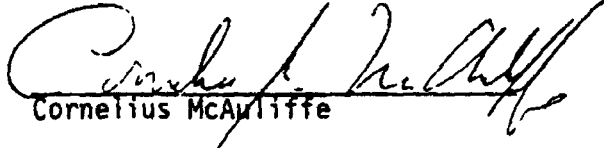
Robert Goldberg

Dated: December 13, 1989

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