

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Robert L. and Marion E. Lerch

Claimant(s)

vs.

Blinder, Robinson & Co., Inc.

vs.

D. Pastula, C. Flack, G.J. Pheribo

Respondent(s)

NOTICE OF ARBITRATION

AWARD

88-03021

CASE SUMMARY

Claimant(s) Robert L. and Marion E. Lerch alleged that Respondent(s) Blinder, Robinson & Co., Inc., D. Pastula, C. Flack, G.J. Pheribo negligently mishandled Claimants' account. Respondent Blinder, Robinson & Co., Inc. maintains that they should not be liable for secretive actions of the co-respondents Pastula, Flack, and Pheribo because such actions are beyond the supervisory control of Blinder, Robinson & Co., Inc., and further Blinder, Robinson & Co., Inc. cross-claims the above co-respondents for any liability arising out of this action. Co-respondent Don Pastula individually counter-claims Blinder, Robinson & Co., Inc. for wrongful party inclusion in this proceeding. Co-respondent Charles Flack also individually counter-claims for wrongful party inclusion in the above case.

RELIEF REQUESTED

Claimant(s) Robert L. and Marion E. Lerch requested damages of One Thousand Ninety Three Dollars and Seventy-Five Cents (\$1,093.75). Respondent(s) requested dismissal of claim and costs. Additionally, Respondent Don Pastula requested damages of Ten Thousand Dollars and No Cents (\$10,000.00) from Respondent Blinder, Robinson & Co., Inc.

AWARD

Pursuant to Section 13 of the NASD, Inc. Code of Arbitration Procedure ("Simplified Arbitration") a single arbitrator, Lucia Edwards, 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 September 23, 1988 and by Respondent(s) on November 18, 1988. The Arbitrator, having considered the proofs of the parties, has determined in full and final resolution of the issue submitted for determination as

The Respondent Blinder, Robinson & Co., Inc. shall be liable to the Claimant Robert L. and Marion E. Lerch for the total amount of One Thousand Ninety Three Dollars and Seventy-Five Cents (\$1,093.75);

And, the Respondent Blinder, Robinson & Co., Inc. shall be liable to co-respondent Don Pastula for the total counter-claim amount of Ten Thousand Dollars and No Cents (\$10,000.00);

And, the third party claims by Blinder, Robinson & Co., Inc. against Donald Pastula, Charles Flack, and Gordon Pheribo shall be dismissed in its entirety;

And, the counter-claim by Charles Flack against Blinder, Robinson & Co., Inc. shall be dismissed in its entirety.

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 retained by the NASD as costs of this proceeding .

August 3, 1989