

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between

Stanley Wynn

Claimant

vs.

Wise, Friedman, Inc.

Michael Wise

Respondents

CASE #88-03069

AWARD

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on October 3, 1988 Claimant, Stanley Wynn, alleged that Respondents, Wise, Friedman, Inc. and Michael Wise, engaged the Claimant in substantial short sales which were not suitable for him and failed to inform him of the potential risks and rewards inherent in those investments. Respondents maintained that Claimant ratified and approved every transaction in his account and that the investments and risk were suitable for him. The statement of claim also sets forth based on the same facts, a claim for common-law fraud and for violation of Section 10-b-5 of the Securities Exchange Act.

RELIEF REQUESTED

Claimant requested damages of \$86,775.73 plus interest and costs of the proceeding. Respondents requested dismissal of the claims plus costs of the proceeding.

AWARD

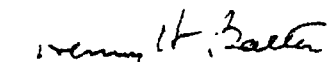
On August 24, October 18 and November 22, 1989, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed by Claimant Stanley Wynn on September 19, 1988, and by Respondent Wise, Friedman, Inc. and Michael Wise on August 24, 1989. The hearing was conducted at the offices of the National Association of Securities Dealers, Inc. located in New York City, NY and consisted of four (4) hearing 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. The common-law fraud claim is denied in its entirety.
2. The 10-b-5 claim is denied in its entirety.
3. The Respondent Wise, Friedman, Inc. be and hereby is liable on the claim of unsuitability and shall pay to the Claimant Stanley Wynn the sum of Twenty One Thousand Three Hundred Fifty Dollars and No Cents (\$21,350.00).

4. The Respondents Wise, Friedman, Inc. and Michael Wise be and hereby are liable jointly and severally on the claim of unsuitability and shall pay to the Claimant Stanley Wynn the sum of Seven Thousand One Hundred Fifty Dollars and No Cents (\$7,150.00).
5. The parties shall each bear their respective costs including attorneys' fees.
6. Pursuant to Section 43 of the Code of Arbitration Procedures, the National Association of Securities Dealers, Inc. shall retain the \$500.00 filing fee previously deposited by the Claimant. In addition, the Claimant Stanley Wynn be and hereby is liable and shall pay the National Association of Securities Dealers, Inc. the sum of Five Hundred Dollars and No Cents (\$500.00) to represent forum fees and Respondents Wise, Friedman, Inc. and Michael Wise be and hereby are liable jointly and severally and shall pay to the National Association of Securities Dealers, Inc. the sum of One Thousand Dollars and No Cents (\$1,000.00) to represent forum fees.

ARBITRATORS CONCURRING


Deborah Sherman


Henry H. Balter


Victor Alvarez

DATED: December 14, 1989