

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between

Harold G. Wiebke

Claimant

vs.

Integrated Resources Equity Corporation  
Bernard McGee

Respondents

CASE #88-03468  
AWARD

CASE SUMMARY

Claimant contends Respondents committed unauthorized sales of his stock in Creative Video Applications. Claimant also alternatively contended at the hearing that even if the sale of Creative Video Applications was authorized, the sale was made below the then prevailing price. Respondents contend Claimant authorized sales in his account to cover the purchase of more suitable investments. Respondents state they reversed certain trades without loss but would not reverse the trade of Creative Video Applications because the investor had consented to the investment. Respondents further contend that in any event that the sale of Creative Video Applications was made at the then prevailing market price.

RELIEF REQUESTED

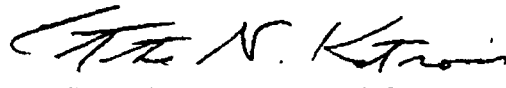
Claimant seeks \$19,000.00 plus attorney fees and filing fees. Respondents seeks dismissal.

AWARD

On October 4 and November 17, 1989 at the offices of the National Association of Securities Dealers, Inc. located in New York City, NY and consisted of three (3) hearing sessions, the undersigned arbitrator heard the controversy between the parties as set forth in submissions to arbitration signed by Claimant Harold G. Wiebke on October 19, 1988, and by Respondent Integrated Resources Equity Corporation on January 26, 1989 and by Respondent Bernard McGee on January 12, 1988. The arbitrator, 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. This case did not involve unsuitability. It involved the unauthorized sales of various securities positions. When notified by Claimant of his dissatisfaction, Respondent was able to break all trades (at no cost to Claimant) other than that of Creative Video Applications. The Creative Video Applications trade was not nullified because of a thin market and a wide spread between the bid and the ask. The present price of Creative Video Applications, however, is much lower than that obtained for it through the allegedly unauthorized sale. Furthermore, Claimant has not sustained his burden of showing the sale of Creative Video Application was unauthorized. As to whether Creative Video Application was sold at the then prevailing market price on, February 25, 1988, it would appear that the bid on that date was one (1) and the ask was three (3). Of the 10,000 shares sold on that date 3,000 were sold at \$1.00 and 7,000 shares at 3/4. It would appear that all shares could have been sold at \$1.00 on that day.
2. Respondent Integrated Resources Equity Corporation be and hereby is liable and shall pay the Claimant the sum of One Thousand Seven Hundred Fifty Dollars and No Cents (1,750.00).
3. Claims against Respondent Bernard McGee are dismissed.
4. The parties shall each bear their respective costs including attorney's fees.
5. 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, and assess an additional \$200.00 against Claimant and \$600.00 from Respondent Integrated Resources Equity Corporation.

CONCURRING ARBITRATOR



Prof. Constantine N. Katsoris

DATED: November 17, 1989

STATE OF

New York

S.S.:

COUNTY OF

New York

On this 1st day of Nov, 1989, before me personally appeared PROF. CONSTANTINE KATSORIS to me known and known to me to be the individual described in and who executed the foregoing instrument and he duly acknowledged to me that he executed the same

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Notary Public  
for the State of New York

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