

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

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In the Matter of the Arbitration Between )  
 )  
STANLEY L. SCHMIDT, )  
 )  
 ) Claimant, )  
 ) Case #89-00120  
vs. ) Award  
 )  
F. D. ROBERTS, INC., LEONARD TUCKER, )  
DEAN VERNOLA and JERRY JUDKOWITZ, )  
 ) Respondents. )  
 )  
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Heard before the Arbitrator:

Marilyn B. Cane, Esq.

CASE SUMMARY

This claim was filed with the NASD, Inc. on January 12, 1989. The hearing was conducted in Fort Lauderdale, Florida on April 27, 1990, with a total of one hearing session.

Claimant, Stanley L. Schmidt ("Schmidt"), alleged that Respondents, F. D. Roberts, Inc. ("FDR"); Leonard Tucker ("Tucker"); Dean Vernola ("Vernola"); and, Jerry Judkowitz ("Judkowitz"), failed to execute a trade of equity securities at \$.29 per share.

Respondent, Tucker, denied all allegations of wrongdoing and alleged that he sold the stock as requested.

Respondent, Vernola, denied all allegations of wrongdoing; denied that Schmidt entered a sell order when the stock was selling at \$.29 per share; and, alleged that Claimant made money based on Vernola's advice. Vernola crossclaimed against FDR for indemnification for costs of his defense and liability, if any.

Respondent, Judkowitz, denied all allegations of wrongdoing and requested dismissal due to the complete lack of allegations against him regarding the sale.

RELIEF REQUESTED

Claimant requested damages in the amount of \$1,160.00, costs, attorney's fees, personal labor costs, and interest at the legal rate of 12% per annum.

Respondent, Tucker, requested dismissal; Respondent, Vernola, requested denial of the claim and indemnification from FDR; Respondent, Judkowitz, requested dismissal of the frivolous claim against him; and, FDR did not file an Answer.

AWARD

On April 27, 1990, the arbitrator heard the controversy between the parties as set forth in submissions to arbitration signed by Claimant on January 3, 1989, and by Respondents, Tucker on June 22, 1989; Vernola on March 17, 1989; and, by Judkowitz on April 27, 1990. 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:

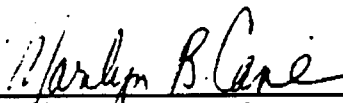
1. Respondent, Vernoia, is found not liable to the Claimant and, therefore, all claims against him are hereby dismissed.
2. Respondent, Tucker, is found liable and shall pay to Claimant the amount of One Thousand One Hundred Sixty and 00/100 (\$1,160.00) Dollars plus interest at the legal rate of 12% per annum in the amount of Two Hundred Forty Three and 60/100 (\$243.60) Dollars for a total due to the Claimant in the amount of One Thousand Four Hundred Three and 60/100 (\$1,403.60) Dollars.
3. Respondent, Tucker, is found liable for costs and shall pay to the Claimant the further amount of One Hundred Three and 73/100 (\$103.73) Dollars.
4. Claimant's requests for attorney's fees and reimbursement for personal labor are hereby denied.
5. Pursuant to Section 43 of the Code of Arbitration Procedure, Respondent, Tucker, is hereby assessed forum fees in the amount of Twenty Five and 00/100 (\$25.00) Dollars payable directly to the Claimant. The National Association of Securities Dealers, Inc. shall retain the Twenty Five and 00/100 (\$25.00) Dollar filing fee previously deposited by the Claimant for such forum fees.
6. The parties shall each bear all other costs and expenses incurred by them in connection with this proceeding.

#### OTHER ISSUES

As a result of the bankruptcy petition of FDR in Case Number 89-01657, FDR has been removed as a party to this matter and the issue of its liability to Claimant or indemnification of Vernoia were neither considered nor decided by the arbitrator.

By agreement of all parties, Respondent, Judkowitz, was dismissed as a party to this proceeding; all parties stipulated that they had no claims against Judkowitz; and, Judkowitz stipulated that he had no claims against any party to this proceeding.

#### ARBITRATOR CONCURRING

  
Marilyn B. Cane, Esq.

Received this 4th day of May 1990.