

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between

Kirk A. Knapp and Bonnie J. Knapp

Claimant(s)

and

Tri-Bradley Investments, Inc.;
John Bradley and Paul A. Hurtado

Respondent(s)

AWARD

Case No. 89-00266

CASE SUMMARY

In a claim filed with the NASD on January 30, 1989, Claimants Kirk A. Knapp and Bonnie J. Knapp ("Claimants") alleged that Respondents Tri-Bradley Investments ("Tri-Bradley"), John Bradley and Paul A. Hurtado (collectively as "Respondents") improperly handled their account by failing to reinstate a sell order in Hiex Development USA in the account of Claimant Bonnie J. Knapp and that at the solicitation of Respondents, Claimant Kirk A. Knapp agreed to sell 25,000 shares of Southland Preferred stock at \$9.00 a share which was subsequently sold at \$8.00 a share contrary to the agreement of Claimants and Respondents. Claimants further alleged that Respondents subsequently sold the 25,000 shares of Southland Preferred stock at \$9.00 a share.

Respondents have not filed an Answer to the Statement of Claim.

RELIEF REQUESTED

Claimants requested an award in the amount of \$36,113.00 plus interest. Respondents have not submitted an answer to the Statement of Claim.

PROCEDURAL SUMMARY

Respondent Paul A. Hurtado appeared at the hearing and stated to the panel that he was present to represent all of the named Respondents. At the request of the panel Mr. Hurtado submitted letters of authorization from Respondent Tri-Bradley Investments, Inc. and Respondent John Bradley.

Respondent Hurtado also stated that the Respondents had filed an Answer in this matter. Mr. Hurtado was unable to produce any evidence that the Answer had been filed with the NASD. The arbitration panel ruled that they would admit into evidence the purported Answer of Respondents. The joint Answer admitted into evidence is unsigned, does not include exhibits which were purported to have been filed, and was not accompanied by a Uniform Submission Agreement.

AWARD

On Thursday, February 22, 1990 in Southfield, Michigan during a hearing lasting two (2) sessions, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed on January 15, 1989 by Claimants Kirk A. Knapp and Bonnie J. Knapp. Respondents are required to submit to arbitration pursuant to Section 12 of the NASD Code of Arbitration Procedure and having appeared at the hearing individually or through Respondent Paul A. Hurtado are bound by the panel's final determination on all issues submitted.

The arbitration panel, having considered the pleadings, the testimony, and the evidence presented at the hearing, has decided in full and final resolution of the issues submitted for determination as follows:

1. Respondents Tri-Bradley Investments, Inc., John Bradley and Paul A. Hurtado shall be and hereby are jointly and severally liable for and shall pay to Claimants Kirk A. Knapp and Bonnie J. Knapp the sum of Fifteen Thousand Dollars and No Cents (\$15,000.00) inclusive of interest;

2. Each party shall bear any other costs not specifically enumerated herein; and

3. Pursuant to Section 43(b) of the Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. shall retain as forum fees, the \$400.00 filing fee previously deposited with the NASD by the Claimants Kirk A. Knapp and Bonnie J. Knapp. Claimants are assessed and shall pay to the NASD an additional \$200.00 as hearing fees. Respondents are assessed and shall pay to the NASD \$600.00 as hearing fees.

By the Panel

Dated: February 22, 1990

/S/ Jeffrey M. Bauer, Esq.
Presiding Chair

Dated: February 22, 1990

/S/ Mark L. Kowalsky, Esq.

Dated: February 22, 1990

/S/ Robert J. Scafuri, Esq.