

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between	:
	:
Randy Howard	:
	:
Claimant	:
	:
vs.	:
	:
F.D. Roberts, Inc.	:
Kathleen S. Lewis	:
	:
Respondents	:

AWARD
#89-00445

Case Summary

Claimant Randy Howard claims against Respondents F.D. Roberts Securities, Inc. and Kathleen S. Lewis arise from the offer and sale of several securities during 1987 and 1988. Claimant alleged that the Respondents made false and deceptive statements, including claims that the claimant would earn twenty percent on his investment. Claimant also alleged violations of various rules including common law fraud, breach of fiduciary duty, negligence and breach of contract. In addition to those violations, Claimant alleged violations of state and federal securities law and federal RICO acts.

The Respondents contended that the Claimant was aware of the speculative nature of their investments and the related risks. Moreover, the Respondents denied the above allegations of the Claimant.

Relief Requested

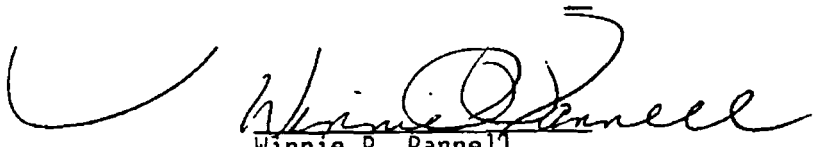
The Claimant request compensatory damages in amounts exceeding \$20,000.00, punitive damages, costs, including expenses and reasonable attorney fees. The Respondents request a dismissal of the claim.

Award

On August 23, 1989, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed by Claimant Randy Howard on February 8, 1989 and by Respondent Kathleen S. Lewis on June 12, 1989. The Respondent F.D. Roberts Securities, Inc. did not submit a Uniform Submission Agreement, Statement of Answer and failed to appear at the hearing. F.D. Roberts Securities, Inc. terminated its membership from the NASD and, subsequently, filed a voluntary Petition in Bankruptcy on March 6, 1989. The initial claim was filed on February 13, 1989. 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 claim of the Claimant Randy Howard against the Respondent Kathleen S. Lewis shall be dismissed.
2. The parties shall each bear their respective costs including attorney fees.
3. 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.

This day October 23, 1989


Winnie P. Pannell