

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant(s)

Computer Color Graphics, Inc.

89-01191

Name of Respondent(s)

Brack Stanford
Stanford Securities, Inc.
Gerald Fox

CASE SUMMARY

In a statement of claim filed with the NASD on or about April 24, 1989, Claimant Computer Color Graphics, Inc. alleged that Respondents Brack Stanford, Stanford Securities, Inc. and Gerald Fox committed fraud and failed to perform adequate due diligence on the Agvest International Superior Embryos #3 program. Additionally, Computer Color Graphics alleged that Respondents charged excessive commissions on the investment.

In a joint statement of answer filed with the NASD on or about July 5, 1989, Brack Stanford, Stanford Securities, Inc. and Gerald Fox denied the allegations of the statement of claim.

RELIEF REQUESTED

Computer Color Graphics, Inc. requested damages of \$448,122.97 plus interest, costs and attorney's fees. Brack Stanford, Stanford Securities, Inc. and Gerald Fox requested dismissal of the claim and that the panel consider an award of attorney's fees to the Respondents as costs to defend this action.

AWARD

On Wednesday, November 28, 1990 in Chicago, Illinois during a hearing lasting a total of two sessions, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed on April 20, 1989 by John Reilly on behalf of Claimant Computer Color Graphics, Inc. on August 24, 1989 by Respondent Brack Stanford, on August 24, 1989 by Brack Stanford on behalf of Respondent Stanford Securities, Inc. and on September 5, 1989 by Respondent Gerald W. Fox. The parties agreed that the panel could execute a handwritten copy of the award at the conclusion of the hearing.

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. The claims asserted by Computer Color Graphics against Brack Stanford, Stanford Securities, Inc. and Gerald Fox shall be and are hereby dismissed in their entirety;
2. The parties shall each bear their respective costs, attorney's fees and expenses incurred in this matter; and,
3. Pursuant to Section 43(c) of the Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. shall retain the hearing session deposit in the amount of \$750.00 previously deposited with the NASD by the Claimant Computer Color Graphics and Brack Stanford and Stanford Securities, Inc. are jointly and severally assessed additional forum fees in the amount of \$750.00. These fees shall be paid to the NASD.

Arbitrator(s) Signature

John R. Wylie, Esq.
Presiding Chair

November 28, 1990
Date

Bradford S. Allen, Esq.

November 28, 1990
Date

Richard E. Moore

November 28, 1990
Date

DATE SERVED: DECEMBER 7, 1990