

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

IN THE MATTER OF THE ARBITRATION BETWEEN	:
Michael & Eve Lohnes	:
	:
Claimants	:
	:
vs.	:
	:
	:
Wakefield Financial Corporation and	:
George Palefsky	:
	:
Respondents	:

CASE SUMMARY

Claimants Michael and Eve Lohnes alleged that Respondent George Palefsky and Respondent Wakefield Financial Corporation failed to execute the sale of certain securities, and made other unauthorized sales and purchases of stock. Further, the Claimants alleged that the Respondents made intentional misrepresentations about the performance of a specific security so as to induce the Claimants not to sell, and the Claimants relied thereon to their detriment.

Respondent George Palefsky contended he always acted properly, never received an order which was not executed, and never made any misrepresentations. Further, Respondent Palefsky asserted a cross-claim against Respondent Wakefield for contribution and indemnity. Respondent Wakefield did not file an answer in this proceeding nor did they appear at the hearing.

RELIEF REQUESTED

Claimants Michael and Eve Lohnes requested actual damages of \$25,135.00. Respondent George Palefsky requested dismissal of the Statement of Claim, or, if he is found liable to the Claimants, an award against Respondent Wakefield for contribution and indemnification.

AWARD

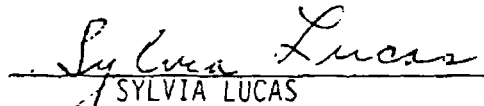
On February 27 and March 28, 1990, the undersigned arbitrator heard the controversy between the parties as set forth in submissions to arbitration signed by Claimants Michael and Eve Lohnes on April 27, 1989, and by Respondent George Palefsky on October 17, 1989 and not by Respondent Wakefield Financial Corp. as is required under Section 12 of the NASD's Code of Arbitration Procedure. The hearings were conducted at the offices of the NASD

in New York City, New York and consisted of two (2) hearing sessions. 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. In accordance with Section 25 of the NASD's Code of Arbitration Procedure, the Respondent Wakefield Financial Corporation was served with the Statement of Claim and given an opportunity to respond. Respondent Wakefield failed to so respond.
2. In accordance with Sections 21 and 26 of the NASD's Code of Arbitration Procedure, Respondent Wakefield was given due notice of the hearing dates and procedure by regular and certified mail. Respondent Wakefield failed to appear at the hearing.
3. Pursuant to Section 22 of the NASD's Code of Arbitration Procedure, the arbitrators determined that Respondent Wakefield was duly and properly served, and that the panel had proper jurisdiction over it. Therefore, the arbitrators determined to proceed with the hearing in Wakefield's absence.
4. At the hearing, the arbitrators were informed by the Claimants that all claims against Respondent George Palefsky were withdrawn, with prejudice. Therefore, all claims against Respondent George Palefsky be and hereby are dismissed in their entirety.
5. The arbitrators determined that all claims against Respondent Wakefield Financial Corporation be and hereby are dismissed in their entirety.
6. The parties shall each bear their respective costs including attorney's fees.
7. 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 Claimants as costs of the two (2) hearing sessions conducted in this matter.

CONCURRING ARBITRATORS


MARTIN FOGELMAN


SYLVIA LUCAS


RICHARD APICELLA

DATED: April 30th, 1990