

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

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In the Matter of the Arbitration

Ilse E. Stahl
Thomas Werner Ueberall

Claimants

CASE #89-01348
AWARD

vs.

Robert Ryan Skoff
Sherwood Capital, Inc.
First Jersey Securities, Inc.

Respondents

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CASE SUMMARY

Claimants, Ilse E. Stahl and Thomas Werner Ueberall, allege that Robert Ryan Skoff, while in the employ of First Jersey Securities, Inc. and Sherwood Capital, Inc., charged excessive commission in connection with the sale of her Medivix, Inc. securities, and with the proceeds from the sale of Medivix- purchased, without their authorization, Physicians Pharmaceutical and Century Medicorp Warrants. Claimants further allege that Respondents failed to send them confirmations and mishandled their account, Claimants also contend that Respondents sold their Twistee Treat securities without authorization.

Respondent, Sherwood Capital, Inc., denies the allegations of wrongdoing and asserts Eleven Affirmative Defenses among which are the fact that there is a pending class action against First Jersey Securities, Inc. and the fact that First Jersey Securities, Inc. agreed to indemnify Sherwood Capital, Inc. for liabilities and expenses arising out of the Huntington branch office where Claimants had their account.

Respondents, First Jersey Securities, Inc. and Robert Ryan Skoff, contend that some of the trades of which Claimants complain were resolved in a class action, of which Claimants were members, that the matter was settled and a final judgment was entered. With respect to the other trades, Respondents deny knowledge of these trades. In response to the Crossclaim, First Jersey, Securities, Inc. and Skoff contend that the settlement of the class action released them from liability.

RELIEF REQUESTED

Claimants requests an award of \$45,000.00, interest attorney's fees, damages for loss of their pet store, damages for impaired health of Stahl and punitive damages.

Respondent Sherwood Capital, Inc. requests that the panel dismiss the claims asserted against it and hold Respondent First Jersey Securities, Inc. liable.

Respondent, First Jersey Securities, Inc. and Robert Ryan Skoff, request that the panel dismiss the claims and Crossclaim asserted against them.

AWARD

On May 10, 1990, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed by the Claimants, on June 28, 1989 and by the Respondents Robert Ryan Skoff, Sherwood Capital Inc. and First Jersey Securities, Inc. on August 15, 1989, August 29, 1989, and August 17, 1989, respectively. The hearing was held in New York City, New York and consisted of two 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. All claims asserted by Claimants against Respondents are dismissed in their entirety.
2. All other claims and Crossclaims are denied.
3. The parties shall each bear their respective costs, including attorneys' fees;
4. 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.
5. Respondent Sherwood Capital, Inc., is assessed forum fees in the amount of \$400.00 payable to the NASD, Inc. in accordance with Section 43 of the Code of Arbitration Procedure.

OTHER ISSUES

At the commencement of the hearing, Claimants and Respondents, Sherwood Capital, Inc. and Robert Ryan Skoff, stipulated that Claimants withdrew with prejudice, their claims against Respondent, First Jersey Securities, Inc.

CONCURRING ARBITRATORS

/s/ _____
David M. Kaplan

/s/ _____
Sol Grand

/s/ _____
Valaree M. Moodee

Dated: May 31, 1990