

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

-----  
In the Matter of the Arbitration Between )  
JOSEPH J. STRONKO, )  
Claimant, )  
vs. ) Case #89-01725  
Award  
BLINDER ROBINSON & CO., INC. and )  
HUGH FLANNIGAN, )  
Respondents. )  
-----  
Heard before the member of the Arbitration Panel:  
  
George S. Coit Jr., Esq.

CASE SUMMARY

This claim was filed with the NASD, Inc. on June 14, 1989. The hearing was conducted in Tampa, Florida on June 15, 1990 with a total of two (2) sessions.

Claimant, Joseph Stronko ("Stronko"), alleged that Respondents, Blinder Robinson & Co., Inc. ("Blinder"), and Hugh Flannigan ("Flannigan") were liable for: breach of fiduciary duties; failure to exercise due diligence; and manipulation of stock prices. Claimant alleged that Respondent, Flannigan, made misrepresentations which induced Claimant into purchasing certain stocks.

Respondents alleged that: they acted in good faith at all times; Respondents exercised due diligence; Claimant was an experienced investor; Claimant was provided a prospectus with the confirmation of the purchase of BINL stock; and was kept informed of the stocks' performance. Respondents asserted the affirmative defenses of: failure to state a claim; the damages sought are speculative; Claimant failed to exercise due diligence; estoppel; waiver; ratification; and laches.

RELIEF REQUESTED

Claimant requested damages in the amount of \$7,170.00. Respondents requested dismissal of the claim plus costs and attorney's fees.

AWARD

On June 15, 1990, the undersigned arbitrator heard the controversy between the parties as set forth in submissions to arbitration signed by Claimant on May 19, 1989, and by Respondents, Blinder on September 18, 1989, and Flannigan on September 12, 1989. The arbitrator, 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. Respondents are not liable to the Claimant and, therefore, all claims against them are hereby dismissed.
2. Respondents requests for costs and attorney's fees are hereby dismissed in all respects.
3. Pursuant to Section 43 of the Code of Arbitration Procedure, the arbitrator has assessed forum fees in the amount of Four Hundred and 00/100 (\$400.00) Dollars (\$200 x 2 sessions). Claimant is hereby assessed forum fees in the amount of Two Hundred and 00/100 (\$200.00) Dollars and Respondent, Blinder, is hereby assessed forum fees in the amount of Two Hundred and 00/100 (\$200.00) Dollars. The National Association of Securities Dealers, Inc. shall retain the Two Hundred and 00/100 (\$200.00) Dollar filing fee previously deposited by the Claimant in full satisfaction of Claimant's share of such forum fees.
4. The parties shall each bear all other costs and expenses incurred by them in connection with this proceeding, including attorney's fees.

OTHER ISSUES

None.

ARBITRATOR CONCURRING

  
George S. Coit Jr., Esq.

Dated: June 26th, 1990