



N.A.S.D. AWARD

Arbitration

NATIONAL ASSOCIATION OF SECURITIES DEALERS

National Association of
Securities Dealers, Inc.
NASD Financial Center
33 Whitehall Street
New York, New York 10004

In the Matter of the Arbitration Between

Name of Claimant

Richard Johnson

vs

Case #
89-01979
AWARD

Name of Respondents

Securities Settlement Corporation
Robert Maietta

CASE SUMMARY

Claimant, Richard T. Johnson, alleges that he purchased 50,000 shares of United Buying Services International, Inc. (UBS) on margin through Wayne Mills who was an account executive at Oberweis Securities. Claimant further alleges that said purchase violated Section 7 of the Securities Exchange Act (15 USC Section 78g), Federal Reserve Regulation T and the Blue Sky requirements for trading in Connecticut. Claimant contends that he relied upon written representation of Respondent, Securities Settlement Corporation, (SSC) that it would liquidate his account if he did not meet the margin call issued on November 15, 1988. Claimant further contends that on November 16, 1988, the UBS stock was \$3.375 and that SSC did not liquidate his account until January 27, 1989, at \$.75 per share. As a result, Claimant contends that he sustained a loss.

Respondent, Securities Settlement corporation, denies liability. Said Respondent maintains that in the process of negotiating a clearing agreement with Wayne Mills for Mill City Capital Corp., Claimant's account was transferred to SSC's office. Respondent further contends that when the agreement did not come to fruition, the account was returned to Oberweis Securities.

RELIEF REQUESTED

Claimant requests an award of \$150,953.63. Respondent, SSC, requests that the claim be dismissed in its entirety. Alternatively, SSC requests that if the panel finds against it, damages be apportioned pursuant to Section 15-108 of the General Obligations Law.

AWARD

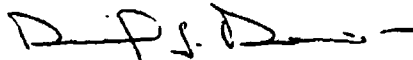
On November 16, 1990, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed by the Claimant on June 20, 1990, and by Respondent, SSC, on July 24, 1990. The original Statement of Claim was filed with the National Association of Securities Dealers, Inc. on July 12, 1989, and the Amended Statement of Claim was filed on May 08, 1990. The hearing was conducted in New York, New York and consisted of two 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. Respondent, Securities Settlement Corporation, is hereby liable to the Claimant in the amount of Sixteen Thousand Nine Hundred Dollars and Zero Cent (\$16, 900.00);
2. No interest is awarded on the above sum;
3. Forum fees are assessed for two hearing sessions in the amount of \$1,500.00 (\$750.00 X 2) and shall be divided equally between the parties;
4. Pursuant to Section 43 of the Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. shall retain the \$750.00 filing fee previously deposited by the Claimant;
5. Respondent, Securities Settlement Corporation, is assessed forum fees in the amount of \$750.00 which shall be made payable to the NASD, Inc.

OTHER ISSUES

Prior to the commencement of the hearing, Claimant settled his dispute with Wayne Mills and Mill City Capital Corp. and moved to amend his claim to include Securities Settlement Corporation. Said motion was granted by this panel. Respondent, Robert Maietta, is a non-member of the NASD, Inc. and did not submit to the NASD's jurisdiction.

CONCURRING ARBITRATOR



Daniel Donovan, Esq.

DATED BY NASD
JANUARY 7, 1991

AWARD


On November 16, 1990, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed by the Claimant on June 20, 1990, and by Respondent, SSC, on July 24, 1990. The original Statement of Claim was filed with the National Association of Securities Dealers, Inc. on July 12, 1989, and the Amended Statement of Claim was filed on May 08, 1990. The hearing was conducted in New York, New York and consisted of two 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:

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CONCURRING ARBITRATOR


Mathias E. Mone, Esq.

DATED BY NASD
JULY 27, 1991

AWARD

On November 16, 1990, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed by the Claimant on June 20, 1990, and by Respondent, SSC, on July 24, 1990. The original Statement of Claim was filed with the National Association of Securities Dealers, Inc. on July 12, 1989, and the Amended Statement of Claim was filed on May 08, 1990. The hearing was conducted in New York, New York and consisted of two 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:

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DATED BY NASD
JANUARY 7, 1991