

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant(s)

Frank C. Antonovich
Eve Nichols
Elsa, Richard J. and Dennis J. Bucolo

89-02694

89-02699 (Consolidated Case)

89-02704

Name of Respondent(s)

Bateman Eichler, Hill Richards, Inc.
Melvin M. Vukcevic

Heard before:

Name

Herman R. Friedberg, Esq.
Ian L. Sitren
Luther D. Prater

Public/Industry

Public
Public
Industry

CASE SUMMARY

These matters were initiated by Statements of Claim filed with the National Association of Securities Dealers, Inc. ("NASD") on September 27, 1989.

Claimants alleged: 1) fraud and deceit, 2) negligence, 3) negligent misrepresentation, 4) breach of fiduciary duties, 5) conversion, 6) violation of section 10(b) of the Securities Exchange Act of 1934, 7) violation of Rule 10b-5, 8) violation of section 15(c) of the Securities Exchange Act of 1934, 9) violation of section 12(2) of the Securities Act of 1933, and 10) violation of California Corporations Code sections 25216, 25400(d), 25401, 25501, 25502 and 25504-25504.2. Said allegations were made in connection with transactions made in convertible subordinated debentures.

Respondents denied these allegations and denied that they are liable to Claimants under any legal theory. Respondents asserted six affirmative defenses.

RELIEF REQUESTED

Claimant Antonovich claimed money damages as follows: (a) compensatory damages in the amount of \$34,915.70, (b) interest calculated from the dates of the transactions in question, (c) punitive damages in an amount not less than \$50,000.00, pursuant to California Civil Code section 3294, and (d) attorney's fees and costs. Claimants Elsa and Richard Bucolo claimed money

damages as follows: (a) compensatory damages in the amount of \$19,102.50, (b) interest calculated from February 25, 1988, (c) punitive damages in an amount not less than \$50,000.00, pursuant to California Civil Code section 3294, and (d) attorney's fees and costs. Claimant Nichols claimed money damages as follows: (a) compensatory damages in the amount of \$19,102.50, (b) interest calculated from February 25, 1988, (c) punitive damages in an amount not less than \$50,000.00, pursuant to California Civil Code section 3294, and (d) attorney's fees and costs. At the hearing counsel for the Claimants stated that the claims for punitive damages were being withdrawn.

Respondents Bateman Eichler, Hill Richards, Inc. and Melvin Vukceвич sought an award that Claimants be awarded nothing and that Respondents be awarded their fees, costs and expenses.

AWARD

On April 29 and 30, 1991 in Los Angeles, California during a hearing lasting four sessions, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed by Claimant Antonovich on September 25, 1989, by Claimant Nichols on September 25, 1989, by Claimant Bucolo on September 25, 1989, by William H. Phelps on behalf of Bateman Eichler, Hill Richards Inc. on January 26, 1990, and by Respondent Melvin M. Vukceвич on January 18, 1990. After considering the pleadings, the testimony, and the evidence presented at the hearing, the arbitrators have decided in full and final resolution of the issues submitted for determination as follows:

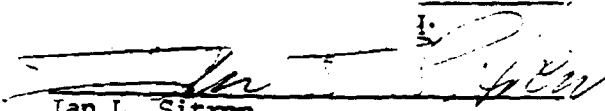
1. Each and every claim of Claimant Antonovich is dismissed.
2. Respondents Bateman Eichler, Hill Richards, Inc. and Melvin Vukceвич are liable for and shall pay to Claimants Elsa and Richard Bucolo the sum of Ten Thousand Dollars Exactly (\$10,000), plus interest at the rate of 10% per annum from the date of the award until paid. Said liability is joint and several.
3. Respondents Bateman Eichler, Hill Richards, Inc. and Melvin Vukceвич are liable for and shall pay to Claimant Nichols the sum of Five Thousand Dollars Exactly (\$5,000), plus interest at the rate of 10% per annum from the date of the award until paid. Said liability is joint and several.
4. The parties shall each bear their respective costs including attorneys' fees.

FORUM FEES

In accordance with Section 43c of the NASD Code of Arbitration Procedure, the NASD shall retain the \$500 filing fee previously deposited by each Claimant [as an assessment of forum fees by the arbitrators]. Respondents Bateman Eichler, Hill Richards, Inc. are liable to and shall reimburse Claimants Elsa and Richard Bucolo the sum of \$500, and Claimant Nichols the sum of \$500. Said liability is joint and several. In addition,

Respondents Bateman Eichler, Hill Richards, Inc. and Vukceovich are also assessed fees of \$1,500. Said liability is joint and several. Fees are payable to the National Association of Securities Dealers, Inc.

Signatures


Ian L. Sitren

Date of Decision: 5/20/91