

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between  
ELEANOR WEISS, et al,

Claimants

Case# 89-03070

vs.

AWARD

F.M. STEVENS SECURITIES CORP. and  
FRANK M. STEVENS

Respondents

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CASE SUMMARY

Claimants Eleanor Weiss, Beneficiary, Peter B. Weiss, Carol Bauman, Settlor Barry Weiss, Peter B. Weiss and Joseph Russo, trustee ("Claimants") alleged that Respondents, E.M. Stevens Securities, Corp. and Frank M. Stevens made certain promises and misrepresentations to the claimants to induce them to purchase bonds in Creative Medical Systems, Inc.

Respondents maintained that the losses Claimants incurred in Creative Medical Systems, Inc were not occasioned by any wrongdoing on the part of either Respondent but rather market factors and risks beyond the control of Respondents and of which Claimants were fully apprised.

RELIEF REQUESTED

Claimants requested damages in the amount of \$106,000.00, Respondents requested that Claimants' claim be dismissed in its entirety and that costs and attorneys fees incurred by Respondents be assessed against claimants.

AWARD

On November 15, 1990, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed by Claimants, on January 22, 1990 and by the Respondent F.M. Stevens Securities, Corp. on March 31, 1990, Respondent Frank M. Stevens did not submit a submission agreement and was deceased at the time of the hearing; however, an answer was submitted on his behalf and he was represented by Counsel. Pursuant to Section 12(a) of the code of Arbitration Procedure, the Presiding Arbitrators exercised their jurisdiction over Frank M. Stevens. The claim was filed January 25, 1990. The hearing was held in New York City and consisted of 3 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. Claim is dismissed against both Respondents.
2. The parties shall each bear their respective cost, including attorneys fees:
3. Pursuant to Section 43 of the code of Arbitration Procedure, the National Association of Securities Dealers, Inc. shall retain the 1000.00 filing fee previously deposited by the claimant.
4. Respondents jointly and solely are assessed forum fees in the amount of \$1,125.00 payable to the NASD, Inc. through its staff counsel in accordance with Section 43 of the code of Arbitration Procedure.
5. Claimants are assessed forum fees in the amount of 1,125.00 payable to the NASD, Inc. However, the filing fee previously deposited should be used as an offset so that the amount due from the claimants as forum fees is \$125.00.

Arbitrators Concurring

/s/  
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LAWRENCE A. PITTORE

/s/  
\_\_\_\_\_  
WILLIAM A. DE LORENZO

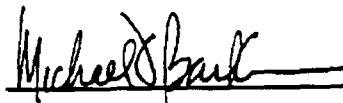
/s/  
\_\_\_\_\_  
FRED S. PIERONI

Dated: January 28, 1991

STATE OF NEW YORK, COUNTY OF NEW YORK

On the 2nd day of January, 1991, before me  
personally came WILLIAM A. DE LORENZO

to me known to be the individual described in and who  
executed the foregoing instrument, and acknowledged that  
he executed the same.

  
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MICHAEL F. BARKUN  
NOTARY PUBLIC, State of New York  
No. 30-4895878  
Qualified in Nassau County  
Commission Expires March 30, 1991