

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant(s)

Philip L. & Marianna J. Koch

90-00100

Name of Respondent(s)

Blinder Robinson & Co., Inc.
John Flanagan

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. ("NASD") on or about April 25, 1988, Philip L. and Marianna J. Koch ("Claimants") alleged that John Flanagan ("Respondent") while employed as a broker by Blinder Robinson & Co., Inc. made an unauthorized sale of warrants in Tele Art, Inc. Specifically, Claimants alleged that Respondent was advised to sell only the stock and not the warrants of Tele Art, Inc.

In his response to the Statement of Claim filed with the NASD on or about July 25, 1990, Respondent stated that Claimants received that proper trade confirmations in addition to monthly statements reflecting all trades in their account. Specifically, Respondent stated that the Tele Art warrants were sold because the Tele Art, Inc. stock and warrants were traded as units and that there was not a market for the warrants only.

RELIEF REQUESTED

Claimants requested an award in the amount of \$4,700.00.

Respondent requested that the Statement of Claim be dismissed.

PROCEDURAL MATTERS

On or about December 7, 1989, the NASD received correspondence from Claimants which indicated that the matter had been resolved. The NASD sent correspondence to the parties stating that the matter will be closed and was subsequently informed that the matter had not been resolved. The NASD then reopened the matter.

Blinder Robinson & Co., Inc. has been dismissed without prejudice from

6) Claimant was aware of the risks associated with the transactions and voluntarily assumed such risk.

RELIEF REQUESTED

Claimant requested an award issue against Respondent for \$11,300.00, plus treble damages under 18 USCS Section 1961, et seq, for total of \$33,900.00, plus interest, reasonable attorneys' fees and costs. Alternatively, Claimant seeks principle, interest, penalties and attorneys fees pursuant to state and federal statute.

Respondent requested that the claims of Claimant be dismissed in their entirety and that costs be assessed against Claimant.

PROCEDURAL SUMMARY

Prior to the presentation of evidence, Respondent presented a Motion to Exclude Claimant's evidence pursuant to Section 32(c) of the Code of Arbitration Procedure. Claimant responded orally to the motion and after executive session the motion was denied.

AWARD

On November 15, 1990 in New Orleans, Louisiana during a hearing lasting one session, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed on February 23, 1990 by the Claimant James Defee and on April 17, 1990 by Stephen G. Sneeringer on behalf of Respondent A.G. Edwards & Sons, Inc.

The arbitration panel, having considered the pleadings, the testimony, and the evidence presented at the hearing, has decided in full and final resolution of the issues submitted for determination as follows:

1. The Statement of Claim is hereby dismissed and denied in its entirety;

2. The parties shall each bear their own respective costs, including attorneys' fees, except for those specifically enumerated herein;

3. Pursuant to Section 43(c) of the Code of Arbitration Procedure, the National Associates of Securities Dealers, Inc. shall retain as forum fees, the \$120.00 filing fee and \$280.00 hearing session deposit previously deposited with the NASD by the Claimant James Defee. Pursuant to this section, Claimant James Defee is liable for and shall pay additional hearing deposit fees due of \$120.00.

By the Panel

Dated: November 15, 1990 /S/ William D. Hawkland, Jr., Esq.
Presiding Arbitrator

Dated: November 15, 1990 /S/ Rupert Surcouf, Jr., Esq.

Dated: November 15, 1990 /S/ Richard L. Abbrecht, Esq.

this proceeding as a result of its filing for bankruptcy.

AWARD

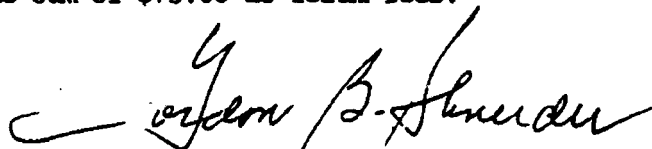
As the arbitrator appointed to decide the matter in controversy between the parties as set forth in submissions to arbitration signed on January 20, 1988 by Claimants Philip L. and Marianna J. Koch. Respondent John Flanagan did not file a signed submission agreement but is required to submit to arbitration pursuant to Section 12 of the NASD Code of Arbitration Procedure and has submitted an answer to the claims submitted by Claimants and is therefore bound by the determination of the arbitrator on all issues submitted. I have considered the pleadings and additional submissions filed by the parties in this matter without a hearing pursuant to Section 13 of the NASD Code of Arbitration Procedure and have decided in full and final resolution of the issues submitted for determination as follows:

1. Respondent John Flanagan shall be and hereby is liable for and shall pay to the Claimants the sum of One Thousand Seven Hundred Thirty Three Dollars and Seventy Six Cents (\$1,733.76); and

2. Pursuant to Section 43(c) of the Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. shall retain the filing fee \$25.00 previously deposited with the NASD by the Claimants. Respondent John Flanagan shall pay to the NASD the sum of \$75.00 as forum fees.

Dated:

12/18/90



Presiding Arbitrator
Gordon B. Shneider, Esq.