



N.A.S.D. AWARD

Arbitration

National Association of
Securities Dealers, Inc.
NASD Financial Center
33 Whitehall Street
New York, New York 1000

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Edwin J. McBreen

vs

Case #
90-00207
AWARD

Name of Respondents

David A. Dole
Meyer Blinder

CASE SUMMARY

This claim was filed with the National Association of Securities Dealers, Inc. on January 18, 1990. The case was heard on October 30 and 31, 1990, in New York, New York and consisted of three hearing sessions.

Claimant, Edwin J. McBreen, alleges that Respondent, David A. Dole, the registered representative with Blinder Robinson & Co., Inc., fraudulently induced him to purchase 100,00 shares of a penny stock called Source Venture Capital based upon inside information that within thirty to forty-five days the value of the securities would increase. Claimant alleges that the securities did not increase in value and they are now worthless. Claimant further alleges that Respondent, Meyer Blinder, was a fifty percent shareholder and that Respondents manipulated the price of the securities and failed to disclosed material facts. Claimant contends that the investment was unsuitable for him in light of his financial situation, objectives and needs.

Respondent, David Dole, denies the allegations of wrongdoing. He maintains that the investment was consistent with Claimant's stated objective. Respondent, Meyer Blinder, denies the allegations of wrongdoing and specifically denies the allegations of fraudulent mark-ups and market manipulation and that he was a fifty percent shareholder. Respondent Blinder further states ten affirmative defenses and interpose a Counterclaim against the Claimant.

RELIEF REQUESTED

Claimant requests an award of \$18,950 which includes interest through October, 1990, together with punitive damages. Respondents request that the claim be denied. Respondent Blinder also requests an award on his

Counterclaim for forum costs, expert witness fees, travel and lodging expenses and attorney's fees.

AWARD

On October 30th and 31st, 1990, the undersigned arbitrator heard the controversy between the parties as set forth in submissions to arbitration signed by the Claimant on August 2, 1990, Respondent Dole on April 24, 1990, and by Respondent Blinder on September 7, 1990. This 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. All claims asserted against Respondents are hereby denied;
2. The Counterclaim is hereby denied;
3. The parties shall each bear their respective costs, including attorneys' fees;
4. Forum fees in the amount of \$1,200.00 are assessed for three hearing sessions at \$400.00 per session and shall be paid as indicated below;
5. Pursuant to Section 43 of the Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. shall retain the \$400.00 filing fee previously deposited by the Claimant;
6. Respondent, David Dole, is assessed forum fees in the amount of \$400.00 which shall be paid to the NASD, Inc. through its staff counsel in accordance with Section 43 of the Code of Arbitration Procedure;
7. Respondent, Meyer Blinder, is assessed forum fees in the amount of \$400.00 which shall be paid to the NASD, Inc. through its staff counsel in accordance with Section 43 of the Code of Arbitration Procedure.

ARBITRATOR SIGNATURE

Allen Kilik
Allen Kilik

Dated: November 9, 1990