

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

---

In the Matter of the Arbitration Between

Name of Claimants

Katherine Irons, David J. Erickson,  
and Ken P. Murray

~~90-01274~~ consolidated with  
90-01275 and 90-01276

Name of Respondents

Greentree Securities Corporation  
Bernice Lerner  
Michael Kott  
Solomon Weinstein

---

REPRESENTATION

For Claimants: Thomas H. Dahlk, Esq. of Lieben, Dahlk, Whitted Houghton,  
Slowiaczek & Jahn, P.C. Omaha, Nebraska.

For Respondent Bernice Lerner: Scott M. Zucker, Esq. of Great Neck, New York  
and T. Randy Wright, Esq. of Dixon & Dixon, P.C. Omaha, Nebraska.

CASE INFORMATION

Statement of Claim filed by Katherine Irons and David J. Erickson on: April  
11, 1990. Statement of Claim filed by Ken P. Murray on: May 7, 1990.

Claimant Katherine Iron's Submission Agreement signed on March 21, 1990.  
Claimant David J. Erickson's Submission Agreement signed on January 30, 1990.  
Claimant Ken P. Murray's Submission Agreement signed on March 27, 1990.

Statement of Answer and Motion To Consolidate filed by Respondent Bernice  
Lerner on or about July 20, 1990.

Respondent, Bernice Lerner's Submission Agreement signed on July 20, 1990.

HEARING INFORMATION

Hearing Date/Sessions: May 11, 1992 for two (2) sessions.

Hearing Location: Omaha, Nebraska.

CASE SUMMARY

Claimants. Katherine Irons, David J. Erickson, and Ken P. Murray ("Claimants") alleged that Respondent Greentree Securities Corporation ("Greentree") and Respondent Bernice Lerner ("Lerner") owner of Greentree, and its agents, Respondent Michael Kott and Solomon Weinstein misinformed and misrepresented the Claimants of the price of stock of Ajax Resources, Ltd. and Infergene Company. More specifically, Claimants alleged that Greentree, Lerner, Michael Kott and Solomon Weinstein misinformed them about the price of the stock they purchased increasing in value.

Respondent Bernice Lerner ("Lerner") denied each and every allegation set forth in the Statement of Claim. Lerner alleged that John Irons, broker for Greentree, misrepresented the information concerning Ajax Resources, Ltd. and Infergene Company to the Claimants.

RELIEF REQUESTED

Claimant Katherine Irons requested the return of her initial investment which was 3000 shares of Ajax at 2 5/8 for \$7875.00 and 1000 shares of Infergene at 3 1/2 for \$3500.00. Claimant David Erickson requested \$8487.50, return of his initial investment and treble damages. Claimant Ken Murray requested the return of his original investment which was 1900 shares of Ajax at 2 5/8 and 1000 shares of infergene at 3 1/2, plus treble damages with interest and that Greentree officers be criminally prosecuted.

Respondent Bernice Lerner requested that the Statement of Claim be dismissed in its entirety.

OTHER ISSUES CONSIDERED & DECIDED

The parties have agreed that the Award in this matter may be executed in counterpart copies or that a handwritten, signed Award may be entered. In either case, the parties have agreed to receive conformed copies of the Award while the originals remain on file with the NASD.

Claimant Katherine Irons filed arbitration case number 90-01274, Claimant David J. Erickson filed arbitration case number 90-01275, and Claimant Ken P. Murray filed arbitration case number 90-01276 against Respondents Greentree Securities Corporation, Bernice Lerner, Michael Kott, and Solomon Weinstein. The parties agreed to consolidate the above claims.

Pursuant to the U. S. Bankruptcy Code, an automatic stay of arbitration against Respondent Greentree Securities was instituted. The arbitrators did not render an Award against Respondents Michael Kott and Solomon Weinstein due to insufficient and improper service of the Statement of Claim.

Counsel for Respondent Bernice Lerner filed a Motion To Change Venue and the Claimants's counsel filed a response to the motion. The panel subsequently denied the motion.

At the hearing, counsel for Respondent Bernice Lerner motioned to add a third-party complaint. The motion was denied.

AWARD

After considering the pleadings, the testimony and the evidence presented at the hearing, the undersigned arbitrator have decided in full and final resolution of the issues submitted for determination as follows:

1. The Claimants Katherine Iron, David J. Erickson, and Ken P. Murray's Statement of Claim is denied;
2. Each of the parties shall bear their own costs and expenses incurred, including attorney's fees, other than those specifically enumerated for herein.

FORUM FEES

Pursuant to Section 43c of the Code of Arbitration Procedure, the following Forum Fees are assessed:

2 sessions X \$400 = \$800 minus the hearing session deposit previously deposited by the Claimants in the amount of \$400= \$400 due, plus the postponement fee of \$400 = \$800 net due to the NASD.

The NASD shall retain the non-refundable filing fee in the amount of \$120 and a share of the hearing session deposit in the amount of \$133.34 previously deposited by Claimant Katherine Irons. The NASD shall refund to the Claimant Katherine Irons, the sum of \$146.66.

The NASD shall retain the non-refundable filing fee in the amount of \$120 and a share of the hearing session deposit in the amount of \$133.34 previously deposited by Claimant David Erickson. The NASD shall refund to the Claimant David Erickson, the sum of \$146.66.

The NASD shall retain the non-refundable filing fee in the amount of \$120 and a share of the hearing session deposit in the amount of \$133.34 previously deposited by Claimant Ken Murray. The NASD shall refund to the Claimant Ken Murray, the sum of \$146.66.

The Respondent Bernice Lerner shall pay to the NASD the amount of \$800 which represents the additional hearing session fee and the postponement fee for the hearing originally scheduled for January 9, 1992 and January 10, 1992.

NASD AWARD 90-01274 consolidated  
PAGE 4 of 4


Fees are payable to the National Association of Securities Dealers, Inc.

By The Arbitration Panel:

Dated:

\_\_\_\_\_  
Arnold J. Stern, Esq., Chairperson  
Public Arbitrator

\_\_\_\_\_  
Rosemary M. Skrupa, Esq.  
Public Arbitrator

  
\_\_\_\_\_  
Gerald J. Stratman  
Industry Arbitrator

\_\_\_\_\_  
7-28-92  
\_\_\_\_\_

Date Award Served by the NASD: \_\_\_\_\_

NASD AWARD 90-01274 consolidated  
PAGE 4 of 4

Fees are payable to the National Association of Securities Dealers, Inc.

By The Arbitration Panel:

Dated:

\_\_\_\_\_  
Arnold J. Stern, Esq., Chairperson  
Public Arbitrator

*Rosemary M. Skrupa*  
\_\_\_\_\_  
Rosemary M. Skrupa, Esq.  
Public Arbitrator

\_\_\_\_\_  
*July 23, 1992*  
\_\_\_\_\_

\_\_\_\_\_  
Gerald J. Stratten  
Industry Arbitrator

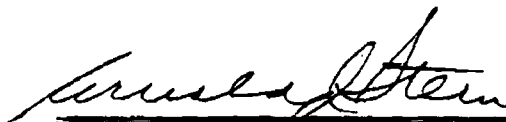
Date Award Served by the NASD: \_\_\_\_\_

NASD AWARD 90-01274 consolidated  
PAGE 4 of 4

Fees are payable to the National Association of Securities Dealers, Inc.

By The Arbitration Panel:

Dated:

  
\_\_\_\_\_  
Arnold J. Stern, Esq., Chairperson  
Public Arbitrator

7-27-92

\_\_\_\_\_  
Rosemary M. Skrupa, Esq.  
Public Arbitrator

\_\_\_\_\_

\_\_\_\_\_  
Gerald J. Stratman  
Industry Arbitrator

\_\_\_\_\_

Date Award Served by the NASD: \_\_\_\_\_