

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between	x
	x
Francis S. Matarazzo	x
Claimant	x
	x CASE NO.
vs.	x 90-01677
	x
Harold Scattergood and	x AWARD
Boenning & Scattergood, Inc.	x
Respondents	x
	x

CASE SUMMARY

Claimant, Francis S. Matarazzo ("Matarazzo"), alleged that Respondent Harold F. Scattergood ("Scattergood"), Chairman of the Board of Respondent Boenning & Scattergood, Inc. ("B & S"), knowingly made misrepresentations and omitted to state material facts concerning the earnings potential and soundness of Information Companies Of America, Inc. ("ICOA"), and that Matarazzo relied on these misrepresentations to his detriment.

Scattergood and B&S contended that Scattergood never knowingly made any untrue statements concerning ICOA, and that Scattergood reasonably relied upon the facts and written information provided to him by ICOA. Scattergood contended that it was not until after protracted litigation against ICOA to inspect its books and records that he finally learned that the information ICOA represented to the public was entirely false and fraudulent.

RELIEF REQUESTED

Matarazzo requested actual damages of \$31,900.00, plus interest, legal fees and costs. Scattergood and B&S requested dismissal of all claims made against them.

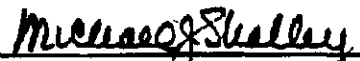
AWARD

On February 6 & 7, 1991 and March 12, 1991, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed by the Claimant Francis S. Matarazzo on July 2, 1990, by Respondent Harold F. Scattergood on August 17, 1990, and by Respondent Boenning & Scattergood, Inc. on August 30, 1990. The initial claim was


filed on June 12, 1990. The hearing was conducted at the offices of the National Association of Securities Dealers, Inc. in Philadelphia, PA, and consisted of six (6) hearing 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. All claims against Respondent Boenning & Scattergood, Inc. be and hereby are dismissed in their entirety.
2. All claims against Respondent Harold Scattergood be and hereby are dismissed in their entirety.
3. The parties each shall bear their respective costs including attorneys' fees.
4. 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, and the Respondents Boenning & Scattergood and Harold Scattergood be and hereby are jointly and severally liable and shall pay to the National Association of Securities Dealers, Inc. the sum of TWO THOUSAND ONE HUNDRED TWENTY DOLLARS AND NO CENTS (\$2,120.00) as costs of the six (6) hearing sessions conducted in this matter.

CONCURRING ARBITRATORS


Michael J. Shalley


William Zysk


David L. Yerkes

Dated: March - 27th, 1991