

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between	x
	x
Stephen P. Maxson	x
Claimant	x
	x CASE NO.
vs.	x 90-01986
	x
U.S. Clearing Corp.	x AWARD
	x
Respondent	x
	x

CASE SUMMARY

Claimant, Stephen P. Maxson ("Maxson"), alleged that Respondent, U.S. Clearing Corp. ("USCC"), failed to timely deposit 10,000 shares of Business Journal of New Jersey, Inc. ("BJNJ") common stock into his account in August, 1988 after Maxson had converted BJNJ warrants into common stock. Maxson alleged that USCC was negligent, and that this negligence prevented him from executing any profitable sell transactions in this stock.

USCC contended that Maxson's broker failed to follow proper procedures in executing Maxson's request to convert the BJNJ warrants, and that this failure prevented USCC from identifying the owner of the converted stock. USCC also contended that Maxson never complained to USCC for almost two years, and that when Maxson did finally complain to USCC, the stock was immediately placed into Maxson's account. USCC further contended that Maxson never intended to sell his stock, and that if he so desired he could have done so.

RELIEF REQUESTED

Claimant Stephen P. Maxson requested actual damages of \$20,635.00. Respondent U.S. Clearing Corp. requested dismissal of all claims made against it.

AWARD

On January 16, 1991, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed by the Claimant Stephen P. Maxson on July 17, 1990, and by Respondent U.S. Clearing Corp. on September 10, 1990.

The initial claim was filed on July 18, 1990. The hearing was conducted in Buffalo, NY, and consisted of one (1) hearing session. 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. Respondent U.S. Clearing Corp. be and hereby is liable and shall pay to the Claimant Stephen P. Maxson the sum of Thirteen Thousand Seven Hundred Fifty Dollars and No Cents (\$13,750.00), inclusive of interest.
2. The parties each shall bear their respective costs, including attorneys' fees.
5. Pursuant to Section 43 of the Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. shall retain the \$500.00 filing fee previously deposited by the Claimant, as costs of the one (1) hearing sessions conducted in this matter.

CONCURRING ARBITRATORS

/s/ signature on file  
Donald T. Cook

/s/ signature on file  
Robert J. Lane, Jr.

/s/ signature on file  
Thomas Gavigan

Dated: January 16, 1991