

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between :

Arthur Smalley :

Claimant :

vs. :

CASE #90-02302
AWARD

Stuart-James Investment Bankers :

Russell Alvis :

Larry Hill :

Respondents :

CASE SUMMARY

Pro Se Claimant, Arthur Smalley, in a claim filed with the National Association of Securities Dealers, Inc. on August 21, 1990, alleged that Respondents Stuart-James Company and its representatives, Russell Alvis and Larry Hill, executed an unauthorized sell order for nine hundred (900) shares of Eurora Cruises Corporation, failed to provide adequate disclosure concerning settlement dates and did not provide him with the information necessary to use his company checks to make transactions.

Respondent, The Stuart-James Company, Inc. represented by Mark M. Maraia of Hart & Trinen, Denver, CO, maintained that losses, if any, were caused by factors beyond the control of Stuart-James and its agents, that Claimant failed to file a timely written complaint with Respondents, failed to mitigate his damages and that Stuart-James, at all times, acted in conformance with all relevant statutes, rules and standards governing its activities.

Respondent Larry Hill, Pro Se, maintained that he never made any trades for Claimant and that he was not the office manager at the time this problem began. He states that Claimant was aware of the procedure for paying for individual account transactions, was given time to properly cover the trade, was sent a letter explaining procedures involving warrants and that the sale of Claimant's Eurora stock was marked as a Sellout, probably for a non-payment or payment with a corporate check.

Russell Alvis failed to answer the original service of the Statement of Claim sent to him on November 12, 1990. Service of the Claim was effected on Russell Alvis on May 14, 1991 as evidenced by the return of a signed, dated certified mail green card. Russell Alvis failed to answer the Statement of Claim.

RELIEF REQUESTED

Claimant requests damages of Nine Thousand Four Hundred Fifty Dollars and Sixty Cents (\$9,450.60).

Respondent Stuart-James Company, Inc. pray for a determination that Claimant is entitled to nothing.

AWARD

Pursuant to Section 13 of the National Association of Securities Dealers, Inc. Code of Arbitration Procedure, a single Public Arbitrator, Robert E. Warner, was selected to review and determine the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimant on August 14, 1990 and by The Stuart-James Company, Inc. on November 21, 1990, by Larry Hill on November 26, 1990 and not by Russell Alvis as required by Section 13(d) of the Code of Arbitration Procedure.

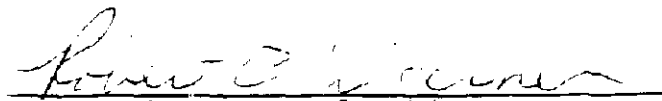
And, that the Arbitrator, having considered the proof of the Parties, has decided and determined in full and final resolution of the issues submitted for determination as follows:

1. That the Claim of Arthur Smalley be, and hereby is, dismissed.
2. The One Hundred Fifty Dollars and No Cents: (\$150.00) filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimant shall be retained by the NASD, Inc.

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AFFIRMATION

I, ROBERT E. WARNER, do hereby affirm upon my oath as arbitrator that I am the individual described herein and who executed this instrument, which is my oath and award.


Signature of Arbitrator

DATED: 10/7/91