

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Patrick O. Cronan

90-02318

Name of Respondents

L. F. Thompson & Co.,
Timothy Robinson, and
Thrifty Tel, Inc.

REPRESENTATION OF PARTIES

For Claimants at the hearing: Pro Se.

For Respondents at the hearing: no respondents appeared.

CASE INFORMATION

Statement of Claim filed: August 20, 1990.

Claimants' Submission Agreement signed on: August 15, 1990.

Statement of Answer filed by Respondent, Timothy Robinson on:
April 15, 1991.

Respondent, Timothy Robinson's Submission Agreement signed on:
April 11, 1991.

HEARING INFORMATION

Hearing date: September 23, 1992 for one (1) session.

Hearing Location: Houston, Texas.

CASE SUMMARY

Claimant Patrick O. Cronan ("Cronan") alleged that he purchased warrants of "Thrifty Tel" through Respondent L. F. Thompson ("Thompson") and Respondent Timothy Robinson ("Robinson"). Cronan further alleged that the registration statement still had not been approved by the Securities and Exchange Commission, and that therefore, the warrants were non-exercisable and that he failed to see that Thompson and Robinson had anything to sell.

Respondent Robinson alleged that Cronan was interested in investing in Thrifty-Tel. Robinson further alleged that he "explained to Cronan that they also had A and B Warrants available and how they worked, exercise price, expiration date, and so on." Robinson alleged that after determining that Cronan was familiar with the market and award of the risks involved, Robinson put in a trade per Cronan's request to buy 1400 A and B Warrants of Thrifty-Tel. Robinson alleged that he resigned from Thompson in October of 1989, and that as far as he knew, there were no problems.

RELIEF REQUESTED

Claimant requested damages of \$3200 plus costs of recovery.

Respondent Robinson did not specifically request a relief in his Answer to the Statement of Claim.

OTHER ISSUES CONSIDERED & DECIDED

The parties present at the hearing have agreed that the Award in this matter may be executed by 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 original remains on file with the NASD.

Respondents L. F. Thompson & Co. and Thrifty Tel, Inc. did not file an Answer to the Statement of Claim or a Submission Agreement. L. F. Thompson & Co. and Thrifty Tel, Inc. did not appear at the hearing.

Respondent Thrifty Tel, Inc. submitted a letter to the NASD wherein it said that Thrifty is not a member of the NASD, nor is it affiliated or associated with a member, and that Thrifty has not contractually agreed to arbitrate any matters believed by Thrifty to be contained in the Statement of Claim. The letter also stated that the NASD does not have jurisdiction.

Respondent L. F. Thompson is no longer a member of the NASD and has terminated business activities.

Respondent Timothy Robinson did not appear at the hearing. A "T. Robinson" signed for the hearing notice letter which was sent, certified mail, by the NASD.

The arbitrator dismissed Respondent Thrifty Tel, Inc. because they were not members of the NASD and Thrifty-Tel, Inc. did not voluntarily submit to arbitration.

AWARD

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

1. Respondents L. F. Thompson & Company, Inc. and Timothy Robinson are jointly and severally liable for, and shall pay to the Claimant, Patrick Cronan, damages in the sum of Thirty Two Hundred Dollars (\$3200.00);

2. Each of the parties shall bear their own costs and expenses incurred other than those specifically provided herein.

FORUM FEES

Pursuant to Section 43(c) of the NASD Code of Arbitration Procedure, the following forum fees are assessed:

1 hearing session X \$100.00 = \$100.00

Pursuant to Section 43(c) of the Code of Arbitration, the NASD shall retain the nonrefundable filing fee in the amount of \$50, and shall retain the hearing session deposit in the amount of \$100 previously paid to the NASD by the Claimant.

There are no additional forum fees.

By The Arbitration Panel:

Dated:

November 30, 1992

Michael E. McGown, Esq.
Michael E. McGown, Esq.
Presiding Chair
Public Arbitrator

Date of Service by the NASD: December 4, 1992