

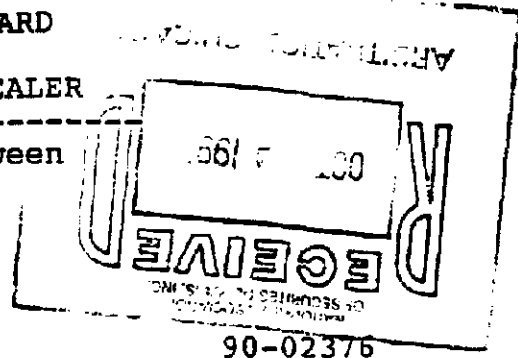
N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALER

In the Matter of the Arbitration Between

Name of Claimant(s)

George Little and Middle
Management, Inc.



Name of Respondent(s)

Rauscher Pierce Refsnes, Inc.
and James W. Kenney

REPRESENTATION OF PARTIES

Claimants George Little and Middle Management, Inc. were represented by Thomas C. Barrow, Esq. of Godwin, Carlton & Maxwell, Dallas, Texas.

Respondent Rauscher Pierce Refsnes, Inc. was represented by Richard A. Rohan, Esq. and Scott Kline, Esq. of Carrington Coleman Sloman and Blumenthal, Dallas, Texas.

Respondent James W. Kenney was represented by Duncan Boeckman, Esq., Dallas, Texas.

CASE SUMMARY

In a Statement of Claim filed with the National Association of Securities Dealers, Inc. ("NASD") on or about August 27, 1990, Claimants George Little and Middle Management, Inc. ("Little") alleged that Respondents James W. Kenney ("Kenney") and Rauscher Pierce Refsnes, Inc. ("Rauscher") engaged in discretionary trading of stocks on behalf of Little without Little's oral or written consent.

More specifically, Little alleged that Kenney purchased Entronics, Cableguard, and Intellicall stocks without Little's consent, and that a loss of \$8607 was charged to Little's account when the stocks were sold at Little's demand to sell.

Little further alleged that he instructed Kenney to sell his 50,000 shares of Scientific Measurement stock but despite the instructions, Kenney only sold 10,000 shares.

Little's claims against Rauscher and Kenney amounted to unsuitability, unauthorized trading, and misrepresentation.

In a Statement of Answer filed with the NASD on or about March 11, 1991, Respondent Rauscher denied the allegations set forth in the Statement of Claim. More specifically, Rauscher alleged that approval was obtained when Kenney purchased stock for Little. Rauscher also alleged that Kenney was only able to sell 10,000 shares of the Scientific Measurement stock because of the price limitation set by Little.

In a Statement of Answer and Motion to Dismiss submitted to the Panel, Respondent Kenney denied the allegations set forth in the Statement of Claimant and alleged that there was prior agreement to buy the stocks at issue.

RELIEF REQUESTED

Claimant George Little and Middle Management, Inc. requested actual damages in the amount of One Hundred Thousand Dollars and No Cents (\$100,000); Claimant also requested that the stock transactions be rescinded, interest from the date of transaction to the date of judgment, and attorney's fees in the amount of Three Thousand Dollars and No Cents (\$3,000) be awarded to Claimants.

Respondent Rauscher requested that the claims be dismissed in their entirety, that Claimant be denied all its relief requested, and that costs be assessed against Claimants.

OTHER ISSUES

Respondents along with their Answer, filed Motions to Dismiss the alleged claims made by Claimants in connection with securities purchased by Norma Lee Midcap and Susan D. Foster on behalf of Becky Ann Foster. The panel granted the motion and dismissed the claims without prejudice to refile.

PROCEDURAL MATTERS

On September 6, 1991 in Dallas, Texas during a hearing lasting a total of two (2) sessions, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed on August 6, 1990 by Claimant George and Little on behalf of George Little and Middle Management, Inc., and on March 5, 1991 by Sharon Shumway on behalf of Respondent Rauscher Pierce Refsnes, Inc.

Respondent James W. Kenney did not file with the NASD a properly executed submission to arbitration but is required to submit to arbitration pursuant to Section 12 of the NASD Code of Arbitration Procedure and having answered the claim, appeared and testified at the hearing is bound by the determination of the arbitration panel on all issues submitted.

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 received conformed copies of the award while the original(s) remain on file with the NASD.

AWARD

The arbitration panel, having considered the pleadings, the testimony, and the evidence presented at the hearing, has decided in full and final resolution of the issues submitted for determination as follows:

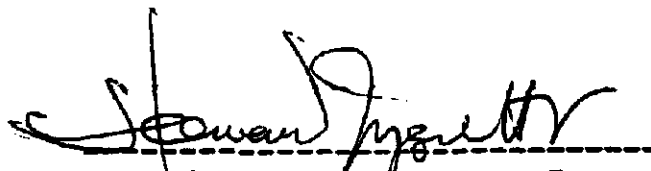
1. The claims against Respondents James W. Kenney and Rauscher Pierce Refsnes, Inc. shall be and are hereby dismissed in their entirety;

2. Each party shall bear their own costs and expenses not specifically enumerated herein;

3. Pursuant to Section 43(c) of the Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. shall retain the claim filing fee of \$150.00 and the hearing session deposit in the amount of \$500.00 previously deposited with the NASD by the Claimant George Little. Claimant George Little shall be and is hereby liable for and shall pay to the NASD additional forum fees in the amount of Five Hundred Dollars and No Cents (\$500.00).

Dated:

10-2-91


Howard V. Tygrett, Jr., Esq.
Presiding Chair

Robert A. Bettis
Public Arbitrator

Martin J. Feinberg
Industry Arbitrator

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Dated:

9.30.91

Howard V. Tygrett, Jr., Esq.
Presiding Chair



Robert A. Bettis
Public Arbitrator

Martin J. Feinberg
Industry Arbitrator

NASD served - 10/30/91

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Dated:

Howard V. Tygrett, Jr., Esq.
Presiding Chair

Robert A. Bettis
Public Arbitrator

Martin J. Feinberg

Martin J. Feinberg
Industry Arbitrator

10/07/91
