

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between :

Thomas P. Mulligan :

Claimant :

vs. :

Richardson, Lyle and Adler, Inc. :
Paul Penvenne :

Respondents :

CASE #90-02789
AWARD

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on October 9, 1990, Claimant, Thomas P. Mulligan, who appeared Pro Se, alleged that Respondent, Paul Penvenne misrepresented the value of DACO Industries, Inc. common stock and warrants; moved his portfolio into risky stocks; failed to execute a sell order and provided false information concerning the liquidity of his portfolio. Claimant further alleged that Respondent Richardson, Lyle and Adler, Inc. failed to properly supervise and monitor Mr. Penvenne's activities in relation to his account.

Respondent, Paul Penvenne, Pro Se, maintained that he was not aware of any stop order placed by Claimant on DACO Industries, Inc. stock and claimed that at no time could he have gotten the price Mr. Mulligan stated. Respondent, Paul Penvenne contended that he handled Claimant's account with the same conscientious concern to avoid losses and make a profit as for all his clients.

Respondent, Richardson, Lyle and Adler, Inc. failed to file an Answer to the Statement of Claim.

RELIEF REQUESTED

Claimant, Thomas P. Mulligan, requested \$2,768.00 in actual damages plus costs.

Respondent, Paul Penvenne, requested that the claim be dismissed.

Respondent, Richardson, Lyle and Adler, Inc. failed to file an Answer to the Statement of Claim.

AWARD

Pursuant to Section 13 of the National Association of Securities Dealers, Inc. Code of Arbitration Procedure, a single Public Arbitrator, Stuart A. Gordon, was selected to review and determine the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimant on October 2, 1990 and not by the Respondents as required by Section 8 & 10 of the NASD Code of Arbitration Procedure.

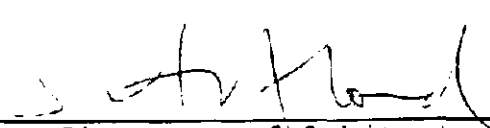
1. In accordance with Section 13 of the NASD Code of Arbitration Procedure the Respondent, Richardson, Lyle and Adler, Inc. was served a copy of the Statement of Claim by regular mail on February 11, 1991 and given an opportunity to respond, which they failed to do.
2. Pursuant to the By-Laws of the NASD the arbitrator determined that Respondent Richardson, Lyle and Adler, Inc. was required to submit to this arbitration proceeding and is, therefore, bound by the arbitrator's ruling and determination.

And, 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. The claims of Claimant, Thomas P. Mulligan against Respondents, Richardson, Lyle and Adler, Inc. and Paul Penvenne are dismissed.
2. The parties shall bear their respective costs.
3. The \$125.00 filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimant shall be retained by the NASD, Inc. The Respondent, Paul Penvenne shall pay \$125.00 to the Claimant for reimbursement.

AFFIRMATION

I, STUART A. GORDON, 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

DATE OF DECISION: JANuary 29, 1992