

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between )

Name of Claimant(s) )

Oscar D. Hackman )

Name of Respondent(s) )

Interstate/Johnson Lane Corporation )  
Michael Epstein )

Case No. 90-02943

REPRESENTATION

For Claimant, Oscar D. Hackman ("Hackman"): Brian J. Cooke, Esq. of Koepfel, Cooke & Gottlieb.

For Respondents, Interstate/Johnson Lane Corporation ("I/JL") and Michael Epstein ("Epstein"): Barry P. Harris, IV, Esq. of I/JL.

CASE INFORMATION

Statement of Claim filed: October 19, 1990. Claimant's Submission Agreement signed: October 11, 1990.

Respondents, I/JL and Epstein's, Statement of Answer filed: February 11, 1991. Respondents' Submission Agreements signed: February 21, 1992 by Epstein, and by Barry P. Harris, IV of behalf of I/JL on February 6, 1991.

HEARING INFORMATION

On February 21, 1992, in Fort Lauderdale, Florida, a hearing lasting one (1) session was conducted.

CASE SUMMARY

Claimant alleged that Respondent misrepresented and omitted to state material facts in connection with the purchase of 3,000 shares of Ambase common stock; and, that Respondents violated the "know your customer" and "suitability" rules in connection with the recommendation.

Respondents denied the allegations and affirmatively defended on the grounds of estoppel, waiver, assumption of the risk, superceding/intervening causes and other similar defenses.

RELIEF REQUESTED

Claimant requested compensatory damages in the amount of \$22,500.00, punitive damages of \$50,000.00, interest and expenses.

Respondents requested that the claim be dismissed and that Claimant be assessed all costs.

### OTHER ISSUES CONSIDERED & DECIDED

1. Prior to the hearing of this matter, the Director of Arbitration determined that the counterclaim asserted by the Respondents was not permissible in this proceeding. Therefore, this Panel did not consider such claim in the hearing or decision of this matter.
2. 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 receive conformed copies of the Award while the originals remain on file with the NASD.

### AWARD

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

1. Respondents, I/JL and Epstein, are found not liable and, therefore, all claims against them are hereby dismissed.
2. Claimant's request for punitive damages is denied.
3. No pleading or proof of attorney's fees was presented and, accordingly, Claimant's request for such is denied.

### OTHER COSTS

The parties shall each bear all other costs and expenses incurred by them in connection with this proceeding.

### FORUM FEES

1. Pursuant to Section 43(c) of the Code of Arbitration Procedure, the Panel has assessed forum fees in the amount of \$500.00 (one session x \$500.00). Claimant is hereby assessed \$500.00 for which the NASD shall retain the \$500.00 previously deposited in full satisfaction thereof.
2. Claimant must also pay the outstanding balance of \$350.00 previously assessed by the Panel for the postponement of the January 21 and 22, 1992 hearing.

Fees are payable to the National Association of Securities Dealers, Inc.

Concurring Arbitrators' Signatures

/s/  
Robert Wayne Pearce, Esq.

Public

/s/  
Nancy J. Cliff, Esq.

Public

/s/  
Carl J. Hagner

Industry

Date of Decision: MARCH 02, 1992