

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant(s)

William Steel
Betty Jo Steel

vs.

90-03377

Name of Respondent(s)

Bateman Eichler, Hill Richards, Inc.
Louis E. Barnes, II

REPRESENTATION

For Claimants: Dennis M. Grady, Esq., San Diego, California.

For Respondents: Craig B. Jorgensen, Esq., Kindel & Anderson, Los Angeles, California.

CASE INFORMATION

Statement of Claim filed: November 29, 1990

Claimants' Submission Agreements signed on: November 20, 1990

Joint Statement of Answer filed by Respondents on: March 25, 1991
Respondents' Submission Agreements signed on:

Bateman Eichler: March 21, 1991

Louis Barnes: March 6, 1991

HEARING INFORMATION

Prehearing Conference Date/Sessions: December 9, 1991 (1 session)

Hearing Date/Sessions: February 27, 1992 (2 sessions)
February 28, 1992 (3 sessions)

Hearing Location: Los Angeles, California

CASE SUMMARY

Claimants alleged misrepresentation, fraud, and racketeering under 18 U.S.C. Section 1952 (2) and (d) in connection with their investment in the common stock of Emerald Mortgage Investments Corporation.

Respondents denied all allegations, and asserted that Claimants had been fully advised of all particulars concerning Emerald Mortgage.

RELIEF REQUESTED

Claimants requested damages of \$60,000, plus lost income, interest and treble damages under the Racketeering Influenced Corrupt Organizations statute.

Respondents requested dismissal of all claims, and an award of costs and attorney's fees.

OTHER ISSUES CONSIDERED & DECIDED

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, and the post-hearing briefs, the undersigned arbitrators have decided in full and final resolution of the issues submitted for determination as follows:

1. All claims, including the claim for RICO damages, are dismissed in their entirety.
2. The parties shall each bear their respective costs including attorneys' fees.

OTHER COSTS

None.

FORUM FEES

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

5 sessions @ \$750/session = \$3,750.00
Of this, Claimants are assessed for one session (\$750) and will be credited with the \$750 hearing session deposit previously paid.

Respondent Bateman Eichler is assessed for 4 sessions (\$3,000).

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

ARBITRATION PANEL

Name

Division / Industry

Date of Decision: 5/30/92

Served March 31, 1992