

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between)
)
 Name of Claimant(s))
)
 Steven Shapiro)
)
 Name of Respondent(s))
)
 Investors Associates Inc.)
 David Shapiro)

91-03867

REPRESENTATION

For Claimant, Steven Shapiro: Michael K. Wolersky of Kutak Rock & Campbell.

For Respondent, Investors Associates Incorporated: pro se.

For Respondent, David Matthew Shapiro: pro se.

CASE INFORMATION

Statement of Claim filed: December 6, 1991. Claimant's Submission Agreement signed: November 27, 1991.

Respondent, Investors Associates, Inc.'s, Statement of Answer filed: June 21, 1992. Respondent's Submission Agreement signed: none. Respondent, David Matthew Shapiro, filed an Answer on August 12, 1992 but did not file a Submission Agreement.

HEARING INFORMATION

Upon Motion of Claimant, this proceeding was converted to a "Simplified Proceeding" and submitted on briefs and affidavits without a hearing.

CASE SUMMARY

Claimant alleges that Respondent, David Shapiro, a broker for Respondent, Investors Associates, Inc., solicited the sale of Ranger International, Inc. stock through the use of misrepresentations concerning the suitability of the stock as a short-term investment, and facts surrounding the nature and market for the stock. Claimant also alleges that Respondents violated OCGA 10-5-12 (sale of securities by broker not licensed in Georgia), NASD Rules of Fair Practice, and common law fiduciary duties. Damages sought were full return of investment (\$32,000.00), interest and attorney's fees.

Respondents denied all allegations of wrongdoing and alleged that the risks of the securities were truthfully explained in the prospectus and by the broker, that the Claimant received a full refund of the purchase price (including return of Respondents' commission), and that Claimant misrepresented facts in connection with the sale of the stock and transfer, such that Respondents did not believe they were committing a sale of stock in Georgia.

Respondents alleged the affirmative defenses of accord and satisfaction.

RELIEF REQUESTED

Claimant requested \$32,000.00 (withdrawn after Ranger International repaid that amount to Claimant), \$6,857.02, interest and attorney's fees.

Respondents requested dismissal.

OTHER ISSUES CONSIDERED & DECIDED

Following the return of Claimant's \$32,000.00 purchase price, his Motion to convert this arbitration to a "Simplified Proceeding" was granted.

AWARD

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

Respondents, Shapiro and Investors Associates, Inc., are found not liable and, therefore, all claims against them are hereby dismissed.

OTHER COSTS

The parties shall each bear all other costs and expenses incurred by them in connection with this proceeding, including attorney's fees.

FORUM FEES

NASD to retain all appropriate fees, which shall be divided equally between Claimant (50%) and the Respondents (50%).

Arbitrator's Signature

/s/
Sidney R. Barrett, Esq.

Public Arbitrator

Date of Decision: September 27, 1992