

AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS REGULATION, INC.

In the Matter of the Arbitration Between

Names of Claimants

Ernest J. Dean
P. Allan Heim
Paul W. Aichele
David J. Walker
James E. and Tonia L.B. Carriger
Mortgage Connection, Inc.
Graham M. Archer

92-00345

Names of Respondents

Princeton Financial Group, Inc.
Jerry Frederick Shorthouse
Anthony Joseph Pontieri
Curt Russell

REPRESENTATION

For Claimants Ernest J. Dean ("Dean"), P. Allan Heim ("Heim"), Paul W. Aichele ("Aichele"), David J. Walker ("Walker"), James E. and Tonia L.B. Carriger ("the Carrigers"), Mortgage Connection, Inc. ("Mortgage Connection") and Graham M. Archer ("Archer"): Richard W. Groner, Esq. of Groner & Schieb, Sarasota, Florida.

Respondents Princeton Financial Group, Inc. ("Princeton"), Jerry Frederick Shorthouse ("Shorthouse"), Anthony Joseph Pontieri ("Pontieri") and Curt Russell ("Russell") did not appear (see "Other Issues").

CASE INFORMATION

Statements of Claim filed by all Claimants: January 23, 1992.

Claimants' Submission Agreements signed as follows:

Earnest J. Dean-February 24, 1992;
P. Allan Heim-January 28, 1992;
Paul W. Aichele-March 9, 1992;
David J. Walker-February 20, 1992;
James E. Carriger and Tonia L.B. Carriger-February 25, 1992;
Mortgage Connection, Inc.-February 6, 1992; and,
Graham M. Archer-July 12, 1994.

All Respondents failed to file Statements of Answer and Submission agreements as required under Rule 10314 of the Code of Arbitration Procedure ("Code") (see "Other Issues").

HEARING INFORMATION

On October 3, 1994 a hearing lasting one (1) session was conducted in Tampa Florida. Thereafter, on October 4, 1994 and September 18, 1997 hearings lasting two (2) sessions were conducted via telephone conference call with the arbitration panel.

CASE SUMMARY

Claimants alleged that the Respondents, acting jointly and in concert, offered for sale and sold securities specifically, shares of Sharedata, Inc., by employing devices, schemes and artifices to defraud; that Respondents obtained money by means of untrue statements of material fact and omitted or failed to disclose negative material facts, and, engaged in transaction practices and a course of business which operated as a fraud and/or deceit to Claimants.

RELIEF REQUESTED

Claimants requested damages as follows: Dean-\$11,721.25; Heim-\$48,143.25; Aichele-\$6,827.00; Walker-\$31,286.25; the Carrigers-\$15,160.00; Mortgage Connection-\$160,812.50; and, Archer-\$18,155.00. In addition, all Claimants requested punitive damages, interest, costs and attorneys' fees.

OTHER ISSUES CONSIDERED & DECIDED

The parties present at the hearings 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 NASD Regulation, Inc.

At the commencement of the hearing the Claimants requested that the panel dismiss all claims against Respondent Russell, without prejudice.

Pursuant to Rule 10101 of the Code the arbitration panel found subject matter jurisdiction over this entire controversy.

The arbitration panel further found that the Respondent Princeton was a member of the NASD and that Respondents, Shorthouse, Pontieri and Russell, by virtue of the forms U-4 executed by them, were persons associated with an NASD member firm at the time the controversy arose. Consequently, the arbitration panel found personal jurisdiction over all Respondents pursuant to Rule 10301 of the Code.

In view of the above, the arbitration panel found that the Respondents were required to file with NASD Regulation, Inc. Statements of Answer and properly executed Submission Agreements pursuant to Rule 10314(b) of the Code. In this regard the arbitration panel found that the Statement of Claim was properly served upon the Respondents pursuant to Rule 10314(a) of the Code.

In addition, in accordance with Rules 10310, 10315 and 10318 of the Code, the arbitration panel found that NASD Regulation, Inc. provided Respondents with "due notice" of the hearings conducted in this matter. The arbitration panel, therefore, determined to proceed with the hearing without the Respondents present.

AWARD

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

1. All claims against Respondent Russell are hereby dismissed without prejudice.
2. Respondents, Princeton, Shorthouse and Pontieri are found liable, jointly and severally, and shall pay to the Claimants the following amounts:
 - A. To Claimant Dean the amount of \$11,721.25 plus pre-judgment interest at the rate of 10% per annum in the amount of \$6,798.33 for a total due of \$18,519.58.
 - B. To Claimant Heim the amount of \$48,143.25 plus pre-judgment interest at the rate of 10% per annum in the amount of \$27,923.09 for a total due of \$76,066.34.
 - C. To Claimant Aichele the amount of \$6,827.00 plus pre-judgment interest at the rate of 10% per annum in the amount of \$4,096.20 for a total due of \$10,923.20.
 - D. To Claimant Walker the amount of \$31,286.25 plus pre-judgment interest at the rate of 10% per annum in the amount of \$18,146.03 for a total due of \$49,432.28.
 - E. To Claimants the Carrigers the amount of \$15,160.00 plus pre-judgment interest at the rate of 10% per annum in the amount of \$8,769.28 for a total due of \$23,929.28.
 - F. To Claimant Mortgage Connection the amount of \$160,812.50 plus pre-judgment interest at the rate of 10% per annum in the amount of \$93,271.25 for a total due of \$254,083.75.
 - G. To Claimant Archer the amount of \$18,155.00 plus pre-judgment interest at the rate of 10% per annum in the amount of \$10,529.90 for a total due of \$28,684.90.
3. Claimants' requests for punitive damages, costs and attorneys' fees are hereby denied.

FORUM FEES

Pursuant to Rule 10332 of the Code, the panel has assessed forum fees in the amount of \$2,250.00 (three (3) hearing sessions x \$750.00).

1. Claimants are hereby assessed forum fees, jointly and severally, in the amount of \$2,250.00 for which NASD Regulation, Inc. shall retain the \$650.00 previously paid by the Claimants in partial satisfaction thereof leaving a balance due to NASD Regulation, Inc. by Claimants of \$1,600.00.
2. NASD Regulation, Inc. shall retain the claim filing fee of \$200.00 paid by the Claimants.

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

ARBITRATION PANEL

Concurring Arbitrators' Signatures

/s/

Patrick A. Davis, Esq.

Public/Chairperson

/s/

Thomas E. Greef

Public/Panelist

/s/

Samuel M. Niden

Industry/Panelist

Date of Decision: October 2, 1997