

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimants

David and Mary Hebert

92-01820

Name of Respondents

Dickinson & Co. and  
Robert Vernon

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**REPRESENTATION OF PARTIES**

For Claimants at the hearing: Steven L. Addington, Esq., Des Moines, Iowa.

For Respondents at the hearing: Thomas M. Swartwood, Esq. of Dickinson & Co., Inc., New York, New York.

**CASE INFORMATION**

Statement of Claim filed: May 29, 1992.

Claimant's Submission Agreement signed on: May 20, 1992.

Joint Statement of Answer filed by Respondents on: August 18, 1992.

Respondent Dickinson & Co., Inc.'s Submission Agreement signed on: August 12, 1992.

Respondent Robert Vernon's Submission Agreement signed on: August 14, 1992.

**HEARING INFORMATION**

Hearing date: January 21, 1993 for two (2) sessions.

Hearing Location: Omaha, Nebraska.

### CASE SUMMARY

Claimants David and Mary Hebert ("Hebert") alleged that Respondent Dickinson & Co., Inc. ("Dickinson"), through its agent, Respondent Robert Vernon ("Vernon") induced the Heberts into purchasing a total of 5000 shares of Computer Communications, Inc. by materially misrepresenting to them that the stock would substantially increase in value. The Heberts further alleged that during a phone conversation, Vernon admitted that misrepresentations were made to David Hebert, but that he could not tell his clients of the misrepresentations because he and several other brokers from Dickinson controlled a large percentage of the float of the outstanding stock.

Dickinson and Vernon denied the allegation asserted by Hebert that they materially misrepresented to Hebert the value of Computer Communications, Inc. Dickinson and Vernon alleged that Vernon recommended Computer Communications because they were low in price and offered growth potential related to new products Computer Communications had developed and was attempting to market. Dickinson and Vernon further alleged that Hebert offered no proof of any misrepresentations or omissions. Dickinson and Vernon alleged that Hebert's claims are barred by the statute of limitations.

### RELIEF REQUESTED

Claimants requested an award of damages in the sum of \$5,736.57, plus interest, attorneys' fees, and any other further relief.

Respondents requested that the Claimants' claims be dismissed in their entirety, or in the alternative, that the claims be denied.

### OTHER ISSUES CONSIDERED & DECIDED

The parties have agreed that the Award in this matter may be executed by a counterpart copy 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 original remains on file with the NASD.

### AWARD

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

1. The Claimants' claims are denied;

2. Each of the parties shall bear their own costs and expenses incurred, including attorneys' fees, other than those specifically enumerated for under Forum Fees, below.

**FORUM FEES**

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

2 hearing sessions X \$ 200.00 = \$ 400.00

Pursuant to Section 43(c) of the Code of Arbitration, the NASD shall retain the nonrefundable filing fee in the amount of \$ 75.00, and shall retain the hearing session deposit in the amount of \$ 200.00 previously paid to the NASD by the Claimant.

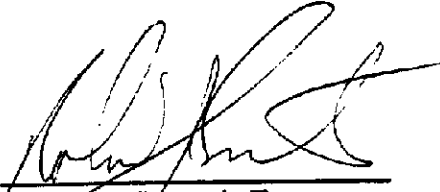
Additional forum fees in the amount of \$200.00 are assessed against Respondents Dickinson & Co. and Robert Vernon, jointly and severally.

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

Dated:

By The Arbitrator:

2/2/93

  
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Roland J. Santoni, Esq.  
Presiding  
Public Arbitrator

Date Award Served: \_\_\_\_\_