

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimants

Andrew and Yvette Block

92-02282

Name of Respondents

FPC, Inc.
Neil D. Schwartz

REPRESENTATION

For Claimants, Andrew and Yvette Block ("The Blocks"): Howard J. Nussbaum, Esq. of Weinstein, Zimmerman, and Nussbaum, P.A., .

For Respondents, F.P.C. Inc. ("F.P.C.") and Neil D. Schwartz ("Schwartz"): Robert A. Kasky, Esq. of Robert Kasky, P.A.

CASE INFORMATION

Statement of Claim filed: July 9, 1992.

Claimants' Submission Agreement signed: August 21, 1992.

Respondents, F.P.C. and schwartz joint Statement of Answer filed: December 12, 1992.

Respondents' Submission Agreements signed: June 29, 1993 by Neil Schwartz on behalf of FPC and himself.

HEARING INFORMATION

On June 29, 1993, in Fort Lauderdale, Florida, a hearing lasting two sessions was conducted.

CASE SUMMARY

Claimants, alleged that in April of 1985 they met with Respondent, Schwartz, the president of F.P.C. and paid him \$500.00 for his professional financial service in investing monies which were the proceed from an insurance settlement. Claimants alleged that despite their stated investment objectives of safety of principle and growth, Respondent, Schwartz, fraudulently induced them to purchase two limited partnerships, I.R.E. and Hall Institutional Real Estate Fund, that were unsuitable for Claimants based upon the degree of risk involved which was never disclosed to them. Claimants stated that thereafter they were informed by their accountant that their investment was worthless.

Respondents, denied all allegations of wrongdoing and alleged that Mr. Block is a sophisticated investor and that Claimants were well aware and apprised of the nature of the investments they were purchasing and Claimants were provided with prospectuses. Respondents maintained that Claimants losses were due to the unforeseeable downturn in the general economic conditions, particularly in the real Estate market, and not due to the actions of Respondents.

RELIEF REQUESTED

Claimants requested return of the investment plus interest and costs of bringing this action.

Respondents requested dismissal of the Claim.

OTHER ISSUES CONSIDERED & DECIDED

1. At the hearing the arbitrator heard Respondents' Motion to Dismiss or Bar Action based on the applicable statute of limitation and Claimant's response thereto and denied said motion.
2. The parties have agreed that the Award in this matter may be executed in counterpart copies or that a handwritten, signed Award 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 arbitrator has decided in full and final resolution of the issues submitted for determination as follows:

1. Respondents, F.P.C. Inc., and Neil D. Schwartz, are found not liable and therefore, all claims against them are hereby dismissed.
2. Claimants' request for costs is denied.
3. Respondents' request for costs is denied

OTHER COSTS

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

FORUM FEES

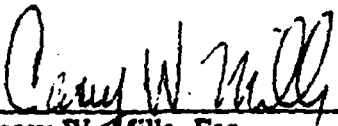
Pursuant to Section 43(c) of the Code of Arbitration Procedure, the arbitrator has assessed forum fees in the amount of \$800.00 (two (2) hearing sessions x \$400.00).

1. Claimants are hereby assessed \$800.00 for which the NASD shall retain the \$400.00 previously deposited in partial satisfaction thereafter leaving a balance due to the NASD of \$400.00
2. The NASD shall retain the non-refundable filing fee of \$150.00 paid by Claimant.

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

ARBITRATOR

Concurring Arbitrator's Signature


Casey W. Mills, Esq.
(Sole Public Arbitrator)

Date of Decision: 7/27/93