

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimants

Robert and Pamela Hanson

93-00037

Name of Respondents

A.S. Goldman & Co. and Gene Phillips

REPRESENTATION OF PARTIES

For Claimants at the hearing: Pro Se.

For Respondent, A.S. Goldman & Co. at the hearing: Lena Liberatore, Esq. of Bachner, Tally, Polevoy & Misher, New York, New York. For Respondent, Gene Phillips at the hearing: Pro Se.

CASE INFORMATION

Statement of Claim filed: January 5, 1993. Claimants' Submission Agreement signed on: January 21, 1993.

Statement of Answer and Cross-Claim filed by Respondent, A.S. Goldman & Co. on: June 10, 1993. Statement of Answer to Statement of Claim and Cross-Claim of A.S. Goldman & Co. filed by Respondent, Eugene Phillips: June 14, 1993.

Respondent, A.S. Goldman & Co.'s Submission Agreement signed on: June 11, 1993. Respondent, Eugene Phillips's Submission Agreement signed on: June 10, 1993.

HEARING INFORMATION

Hearing date: March 25, 1994 for two (2) sessions.

Hearing Location: Chicago, Illinois.

CASE SUMMARY

Claimants, Robert and Pamela Hanson ("Claimants") alleged that Respondents A.S. Goldman & Co. ("Goldman") and Gene Phillips ("Phillips") failed to execute buy/sell orders and guaranteed profits to induce Hanson to buy shares of warrants in Direct Connect.

Respondent, Goldmen, in its Answer to the Statement of Claim, generally denied the allegations set forth in the claim. In its cross-claim, Goldmen alleged that in the event they are found liable, Phillips should be found liable to Goldmen for the full amount of any judgment.

Respondent Phillips, in his Answer to the Statement of Claim, denied "guaranteeing" value of any stocks or warrants. Phillips also stated that he acted in good faith and did not breach any fiduciary duties at any time. Phillips also stated that he denies liability alleged in Goldmen's cross-claim.

RELIEF REQUESTED

Claimant requested damages in the amount of \$46,156.00 plus interest, expenses, and punitive damages in the amount of \$125,000.00.

Respondent, Goldmen requested that the Statement of Claim be denied; and that they be awarded their costs and disbursements, including attorney's fees, or, in the event judgment is entered against them, that Phillips be ordered to pay such judgment.

Respondent, Phillips requested that the Statement of Claim be denied and that no liability be found against him on the cross-claim.

OTHER ISSUES CONSIDERED & DECIDED

The parties present at the hearing have agreed that the Award in this matter may be executed by 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 original remains on file with the NASD.

AWARD

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

Statement of Claim

1. Claimants, Robert and Pamela Hanson's Statement of Claim is denied in its entirety;
2. Each of the parties shall bear their own costs and expenses, including attorney's fees, other than those specifically enumerated under Forum Fees below;

Cross-claim

3. Respondent, A.S. Goldmen & Co.'s cross-claim is denied as moot.

FORUM FEES

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

2 hearing sessions X \$750.00 = \$1500.00

Pursuant to Section 43(c) of the Code of Arbitration, the NASD shall retain the nonrefundable filing fee in the amount of \$200 and shall retain the hearing session deposit in the amount of \$750 previously paid to the NASD by the Claimant.

The NASD shall retain the nonrefundable filing fee in the amount of \$500 and shall refund the hearing session deposit in the amount of \$750 previously paid to the NASD by the Respondent A.S. Goldmen for their cross-claim.

Additional forum fees in the amount of \$750 are assessed against Claimants.

Additional Forum Fees assessed by the panel are payable to the National Association of Securities Dealers, Inc.

By The Arbitration Panel:

Dated:

<u>4-12-94</u>	<u>s/s</u>	<u>Jerome M. Katz, Esq.</u> Jerome M. Katz, Esq. Presiding, Public Arbitrator
<u>4-8-94</u>	<u>s/s</u>	<u>Thomas H. Cross, III, Esq.</u> Thomas H. Cross, III, Esq. Public Arbitrator
<u>4-7-94</u>	<u>s/s</u>	<u>Marc B. Horin</u> Marc B. Horin Industry Arbitrator

Date Award Served By The NASD: 4-13-94