

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the matter of the Arbitration Between

Name of Claimant

Steven A. White

NASD Arbitration
No. 93-00654

Name of Respondent

Princeton American Equities, Inc.

REPRESENTATION

For Claimant: Steven D. Marks - Gold, Marks, Ring & Pepper - Los Angeles, California

For Respondent: No appearance by respondent

CASE INFORMATION

Statement of Claim filed: February 23, 1993

Claimant's Submission Agreement signed: January 17, 1993

Statement of Answer filed by Respondent: April 8, 1993

Respondent, Princeton American Equities, Inc.'s Submission Agreement signed: April 8, 1993

HEARING INFORMATION

Pre-Hearing Conference Date / Session: None

Hearing Date / Sessions: October 13, 1993 - Two Sessions

Hearing Location: Los Angeles, California

CASE SUMMARY

Claimant alleged that Respondent failed to honor a confirmed transaction and is obligated to pay Claimant \$20,000.00 represent the difference between the stated purchase price of the trade of ILEX shares and the amount actually received.

Respondent alleged that the transaction began as an agreement by and between the parties. However, upon review of the proposed transaction by Respondent, it was determined that Respondent could not enter into said agreement due to the possibility of a net capital violation that would possibly have been caused by entering into said agreement.

RELIEF REQUESTED

Claimant seeks an award of \$20,000.00 in compensatory damages plus all arbitration fees incurred.

Respondent seeks dismissal of the claim in its entirety.

OTHER ISSUES CONSIDERED AND DECIDED

All claims made against Princeton Electronic Products, Inc. are dismissed without prejudice. Princeton Electronic Products, Inc. is not an NASD member and therefore not subject to the arbitrator's jurisdiction.

Respondent, Princeton American Equities, Inc. filed an answer and a submission agreement and was properly served with notice of the time and the place of the hearing. Respondent did not appear at the hearing, however, the arbitrator held the hearing under Section 29 of the NASD Code of Arbitration Procedure.

The Claimant's request for \$44,093.00 in additional losses was denied because the Claimant's Statement of Claim filed February 23, 1993 did not include a request for such loss. As a consequence, the Respondent had no notice of such loss. Therefore, at a hearing in absentia, the Arbitrator feels that he is limited to the losses alleged within the Statement of Claim.

The parties have agreed that the Award in this matter may be executed in either 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

1. Respondent, Princeton American Equities, Inc., is liable and shall pay to Claimant, Steven A. White, the sum of Twenty Thousand Dollars and No Cents (\$20,000.00) plus interest thereon at the rate of 10% per annum from September 30, 1992 until paid in full.
2. The parties shall each bear their respective costs and fees.
3. The NASD shall retain all fees and deposits.

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:

FORUM FEES

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

Total fees:

Two sessions @ \$300.00 / session - \$600.00

Claimant's one-half share:

Total fees - \$600.00

Less hearing session deposit previously deposited - \$300.00

Balance due - \$300.00

Respondent's one-half share: - \$300.00

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

ARBITRATOR

Name Public / Industry
Frank Smith Public Chairperson

Frank R. Smith
Concurring Arbitrator's Signature

Served 11/23/93