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N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

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Securities Dealers, Inc.

In the Matter of the Arbitration Between

1995

Name of Claimant(s)

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Robert A. Norton, Jr.

93-01136

Name of Respondent(s)

Fahnestock & Co., Inc.
Ronald A. Riescher

REPRESENTATION

For Claimant, Robert A. Norton, Jr. ("Norton"), A. Thomas Hoadley of Hoadley and Noska, P.A., West Palm Beach, Fl.

For Respondents, Fahnestock & Co., Inc. ("Fahnestock"), and Ronald A. Riescher ("Riescher"), Howard A. Tescher of Kipnis, Tescher, Lippman, Valinsky & Kain, Ft. Lauderdale, Fl.

CASE INFORMATION

Statement of Claim filed on March 22, 1993. Claimant's Submission Agreement signed on March 22, 1993.

Amended Statement of Claim filed on November 18, 1993.

Statement of Answer filed by Respondents Fahnestock and Riescher on May 7, 1993. Respondent's, Fahnestock and Riescher, each executed their respective Submission Agreement signed on May 27, 1993.

HEARING INFORMATION

A Pre-Hearing Conference was held on May 17, 1994 over the telephone, lasting one session.

Hearings on September 8 & 9, 1994 and May 10, 1995, lasting five (5) sessions were conducted in Ft. Lauderdale, Florida.

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CASE SUMMARY

Claimant alleged, that Respondent Ronald Riescher ("Riescher"), while working as a registered representative of Fahnestock & Co., Inc., ("Fahnestock"), sold to him various securities during which time Riescher was not registered with the State of Florida Division of Securities and Investor Protection. Although Claimant initially alleged various causes of action against Respondents, at the hearing, Claimant elected to proceed solely against Respondents on his claim for a violation of Section 517.12, Florida Statutes.

Respondent's filed their Answer, denying all the material allegations concerning wrongdoing and admitted that Riescher was not registered with the State of Florida Division of Securities and Investor Protection until 1991. Prior to the first hearing session, the arbitrators ruled that the Respondents would not be allowed to present their case as a result of a finding by the Panel that there had been discovery violations by Respondents. Respondents filed, at the hearing a Motion for Summary Award and/or Motion in Limine concerning the statute of limitations (Section 95.11(4)(e), Florida Statutes) applicable to a cause of action under Chapter 517, Florida Statutes. Said Motion was denied by the Panel.

RELIEF REQUESTED

Claimant requested damages in an amount of \$929,655.25, and any other relief as may be just and proper.

Respondent requested dismissal of the claim and that costs be assessed against the Claimant.

OTHER ISSUES CONSIDERED & DECIDED

None

AWARD

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

1. Respondents are found jointly and severally liable, and shall pay to the Claimant the amount of \$20,000.00, inclusive of interest and costs.

OTHER COSTS

Exclusive of the Forum Fees assessed below, the parties shall each bear all costs incurred by them in connection with this proceeding.

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FORUM FEES

Pursuant to Section 43(c) of the Code of Arbitration Procedure, the Panel has assessed forum fees in the amount of \$3,600.00 (5 sessions X \$600.00 per session + one (1) pre-hearing conference with the full panel X \$600.00 = \$3,600.00).

1. Respondents, Fahnestock and Riescher, are hereby assessed \$3,600.00, jointly and severally, of which \$700.00 shall be paid directly to the Claimant as a refund of his \$600.00 hearing session deposit and \$100.00 overpayment, leaving a balance due to the NASD of \$2,900.00.

2. The NASD shall retain the non-refundable filing fee of \$250.00.

3. Respondents shall remit \$200.00, which sum represents an underpayment of a postponement fee.

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

Concurring Arbitrators' Signatures

Name

Public/Industry


Irving I. Hanzman

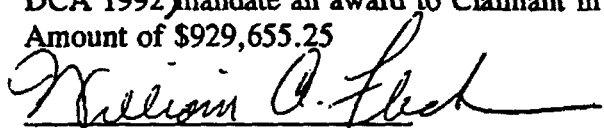
Industry/Panelist


Edward D. O'Cleary

Public/Panelist

Dissenting Arbitrator's Signature

Arbitrator William A. Fleck, Esq. dissents on the basis that he believes that the cases of Skranick vs. Ainesworth 591 Southern 2nd 904, (Fla. 1991) and Santacroce vs. State Dept. of Building and Finance 608 Southern 2nd 134 (Fla. 4th DCA 1992) mandate an award to Claimant in the Amount of \$929,655.25


William A. Fleck, Esq.

Public/Chairman

Date of Decision:

~6-1-95