

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the matter of the Arbitration Between

Name of Claimants

Florence Conway
Tim Conway

NASD Arbitration
#93-02755

vs.

Name of Respondents

Chatfield Dean & Co., Inc.
Kober Financial Corporation
The Kober Corporation
Stephen Goodman

REPRESENTATION

For Claimants: Clifford L. Beem, Esq., Beem & Mann, P.C., Denver, Colorado

For Respondent Chatfield Dean & Co.: Christa D. Taylor, Esq., Chatfield Dean & Co., Greenwood Village, Colorado. and Marc N. Geman, Esq., Denver, Colorado

For Respondents Kober Financial Corporation and The Kober Corporation: No appearance

For Respondent Stephen Goodman: Stephen Goodman, Denver, Colorado

CASE INFORMATION

Statement of Claim filed: July 13, 1993

Amended Statement of Claim filed: June 9, 1994

Claimants' Submission Agreements signed:

Florence Conway: June 28, 1993

Tim Conway: June 29, 1993

Statement of Answer filed by:

Chatfield Dean: September 8, 1993
Stephen Goodman: September 9, 1993
Kober Financial: None Submitted
Kober Corporation: None Submitted

Answer to Amended Claim filed by:

Chatfield Dean: June 27, 1994

Respondents' Submission Agreements signed:

Chatfield Dean: September 3, 1993
Stephen Goodman: September 9, 1993
Kober Financial: None Submitted
Kober Corporation: None Submitted

HEARING INFORMATION

Pre-hearing telephone conference (motions): June 3, 1994 - 1 session (three arbitrators)

Hearing dates/sessions: August 18, 1994 - 2 sessions
August 19, 1994 - 2 sessions

Hearing location: San Francisco, California

CASE SUMMARY

Claimants alleged that Respondents failed to remove the restrictions on restricted shares of NRE common stock, causing a delay in the sale of the shares which resulted in losses when the shares were finally sold. Claimants alleged fraud, conspiracy to commit fraud, negligence, breach of fiduciary duty, and negligent misrepresentation.

Answering Respondents denied the allegations of the Claim. Chatfield Dean denied ever receiving the restricted share certificates in its offices, asserting that the certificates were sent to Mr. Goodman's home address. Stephen Goodman denied receiving the certificates at his home address, asserting the certificates were placed in his mailbox at Chatfield Dean so he could take them to his new office at Kober and this only after express instructions from Claimant Tim Conway to process the removal of restrictions at Kober. Stephen Goodman denied there was an improper delay in the removal of restrictions, asserting that it can be a lengthy procedure and that Claimant Tim Conway had been so informed.

RELIEF REQUESTED

Claimants requested damages of \$25,000, plus exemplary damages of \$100,000, costs and attorneys' fees.

Answering Respondents requested dismissal of all Claims.

OTHER ISSUES CONSIDERED & DECIDED

The Kober Corporation and Kober Financial Corporation did not appear at hearing, nor were answers or submission agreements filed on their behalf. Although duly served with the Claim, Claimants subsequently withdrew without prejudice their Claims against these Respondents. This Award does not include these Respondents.

The parties have agreed that the Award in this matter may be executed in 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 originals remain 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:

1. Respondents Chatfield Dean & Co. and Stephen Goodman are jointly and severally liable for and shall pay to Claimants compensatory damages in the amount of \$7,500, plus \$200 representing the filing fee paid when filing this Claim.
2. The Claim for exemplary damages is denied.
3. The parties shall each bear their respective costs and attorney's fees.

FORUM FEE

Pursuant to Section 43(c) of the Code of Arbitration Procedure, the NASD shall refund the \$750 hearing session deposit previously paid by Claimants.

Forum fees are assessed against Chatfield Dean & Co. as follows:

5 sessions @ \$750/session	\$3,750.00
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Fees are payable to the NASD, Inc.

ARBITRATORS

<u>Name</u>	<u>Public / Industry</u>
John P. Sparrow	Public
Bertram H. Shaughnessy	Public
Edgar N. Stone	Industry

Concurring Arbitrators Signatures

John P. Sparrow

Bertram H. Shaughnessy

Edgar N. Stone

Edgar N. Stone

Date of Decision:

AUGUST 19/1994

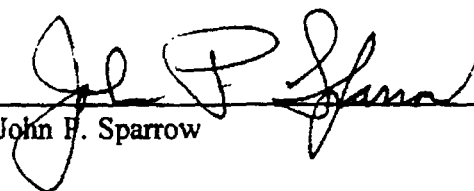
Date Served: 09/23/94

Fees are payable to the NASD. Inc.

ARBITRATORS

<u>Name</u>	<u>Public / Industry</u>
John P. Sparrow	Public
Bertram H. Shaughnessy	Public
Edgar N. Stone	Industry

Concurring Arbitrators Signatures



John P. Sparrow

Bertram H. Shaughnessy

Edgar N. Stone

Date of Decision: Sept 24, 1994

Fees are payable to the NASD, Inc.

ARBITRATORS

<u>Name</u>	<u>Public / Industry</u>
John P. Sparrow	Public
Bertram H. Shaughnessy	Public
Edgar N. Stone	Industry

Concurring Arbitrators Signatures

John P. Sparrow

Bertram H. Shaughnessy

Bertram H. Shaughnessy

Edgar N. Stone

Date of Decision: _____

Date Served: 09/23/94