

**NATIONAL ASSOCIATION OF SECURITIES DEALERS
AWARD**

In the matter of the Arbitration Between

Thomas Maloney,

Claimant,

v.

NASD No. 93-03663

Ladenburg, Thalmann & Co., Inc. and
Ed Rivers.

Respondents.

Representation

For Claimant: Thomas Maloney, pro se, Pacific Palisades, California

For Respondents: Norman Lawi, Esq. of Ladenburg, Thalmann & Co., Inc., New York, New York

Case Information

Statement of Claim filed: September 10, 1993

Claimant's Submission Agreement signed: September 10, 1993

Statement of Answer filed on: November 30, 1993

Respondents' Submission Agreement signed on: November 30, 1993

Hearing Information

Prehearing Conference Dates/Sessions: None

Hearing Date/Sessions: March 29, 1995/one

Hearing Location: Los Angeles, California

Case Summary

Claimant alleged:

Lack of suitability, misrepresentation and breach of fiduciary duty in the purchase of All For A Dollar, Inc. (AFAD). Claimant was pressured into buying the AFAD based on a representation that the price per share was going much higher. When the price dropped, Claimant was told not to sell.

Respondents denied all allegations of wrongdoing and alleged:

Claimant received a preliminary prospectus on his initial purchase of AFAD. Each of the purchases were discussed with Claimant at length and were therefore authorized, confirming and ratifying Claimant's willingness to make the investment. In addition, Claimant sold 5,000 shares of AFAD at a profit of \$18,250; he cannot retain profitable transactions while discarding losing ones.

Relief Requested

Claimant requested:

1. Damages of \$27,500;
2. Punitive damages.

Other Issues Considered and Decided

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.

On November 7, 1994, the Chairperson granted Respondent Ladenburg, Thalmann & Co., Inc.'s Motion to Stay pending resolution of the class action litigation. The arbitration went forward solely as to Respondent Ed Rivers and the decision is limited to him.

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. Each and every claim against Respondent Ed Rivers is dismissed;
2. The parties shall each bear their respective attorney's fees;
3. The parties shall each bear their respective costs.

Other Costs

None.

Forum Fees

Pursuant to Section 43(c) of the Code of Arbitration Procedure, the following forum fees are assessed: The National Association of Securities Dealers, Inc., shall retain \$150 of the \$300 hearing session deposit previously paid by the claimant and refund \$150 to claimant. Forum fees are assessed against:

Claimant for \$150 (already paid by hearing deposit) and Respondent Rivers for \$150

calculated as follows: one hearing session at \$300/hearing session, equals \$300, divided equally by the indicated parties

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

Arbitration Panel

Name

Public/Industry

Mark T. Drooks

Public



Mark T. Drooks

Served 4/11/95

Date of Decision: 4/7/95