

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

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In the Matter of the Arbitration Between.

Name of Claimant

Joe A. Gibson

93-03853

Name of Respondent

F.N. Wolf & Co., Inc.

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**REPRESENTATION**

For Claimant, Joe A. Gibson ("Gibson"): Pro Se.

For Respondent, F.N. Wolf and Co. ("F.N. Wolf"): Arthur G. Wyatt, Esq. of  
Reed Smith Shaw and McClay.

**CASE INFORMATION**

Statement of Claim filed on: September 24, 1993.

Claimant's Submission Agreement signed on: June 16, 1994.

Statement of Answer filed by Respondent, F.N. Wolf on: November 26, 1993.

Respondent, F.N. Wolf's Submission Agreement signed on: November 30, 1993.

**HEARING INFORMATION**

On June 14, 1994, in Ft. Lauderdale, Florida, a Pre-hearing Conference lasting one session was conducted via telephone conference call with an arbitrator.

On June 20, 1994, in Charlotte, North Carolina a hearing lasting two sessions was conducted.

**CASE SUMMARY**

Claimant alleged that Respondent failed to provide adequate and reasonable supervision of the information being dispersed by their representative in his marketing of shares of stock in Digital Products and Site Base Media. Claimant further alleged that there were six fraudulent, misleading and deceptive bits of information dispersed by Respondent's representative pertaining to Digital Products and two fraudulent, misleading and deceptive bits of information dispersed by Respondent's representative pertaining to Site Base Media.

Respondent denied all allegations of wrongdoing and alleged that Claimant was a sophisticated investor with over ten years of experience in the stock market when he opened his account with Respondent; that Claimant had sufficient net worth and risk capital to undertake the transactions at issue, and that Respondents made no false or misleading statements.

**RELIEF REQUESTED**

Claimant requested: \$20,197.00 in compensatory damages, \$2,018.00 in interest and \$20,000.00 in punitive damages.

Respondent requested: dismissal of the claim.

**OTHER ISSUES CONSIDERED & 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 original 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. Respondent is found liable and shall pay to the Claimant the amount of \$6,378.00 exclusive of interest.
2. Claimant's request for punitive damages is hereby denied.

**OTHER COSTS**

The parties shall each bear their own costs and expenses incurred in connection with this proceeding.

**FORUM FEES**

Pursuant to Section 43(c) of the Code of Arbitration Procedure, the Panel has assessed forum fees in the amount of \$1,100.00 (1 pre-hearing conference x \$300.00 plus 2 sessions x \$400.00).

1. Claimant is hereby assessed forum fees in the amount of \$550.00 for which the NASD shall retain the \$400 previously deposited in partial satisfaction thereof, leaving a balance due to the NASD of \$150.00.
2. Respondent is hereby assessed forum fees in the amount of \$550.00 payable to the National Association of Securities Dealers, Inc.
3. The NASD shall retain the non-refundable filing fee of \$120.00 paid by the Claimant.

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

**ARBITRATION PANEL**

**Concurring Arbitrators' Signatures**

/s/  
William H. Malloy, Jr., Esq.

Public/Chairman

/s/  
George Szontagh

Public/Panelist

/s/  
Daniel T. McHugh

Industry/Panelist

Date of Decision: August 4, 1994