

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimants

Walter Prossick

95-00775

Name of Respondents

Michael Riorden

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on February 14, 1995, Claimant Walter Prossick, who appeared Pro Se, alleged that he purchased 950 shares of Harvey Universal ("HU") stock from a Mr. Beaulieu. Claimant further alleged that after a drop in the price of the HU stock, he purchased an additional 1000 shares from a Mr. Faulkenberry. Claimant contended that Respondent Michael Riorden misrepresented to him that he had never been associated with Mathews Holmquist & Assoc.. Claimant further contended that Respondent further misrepresented to him that the HU stock would decline in price in order to induce him to sell his shares. Claimant alleged that he sold his HU stock because of Respondent's misrepresentation, and that it increased in price after he sold it. As a result of the above, Claimant contended that he has suffered damages for which the Respondent should be held liable.

Respondent Michael Riorden, who appeared Pro Se, maintained that he discussed Claimant's position in HU with him and explained that HU had not hit any of their sales projections for the previous 3 quarters, and that they were running out of cash. Respondent further maintained he told Claimant that nothing had materialized concerning a contract between HU and the Japanese, and that at the rate the company was spending money there was a chance they would run out of cash before anything did. Respondent further maintained that Claimant instructed him to sell his HU stock. Respondent denied that he misrepresented himself regarding his employment history. As a result of the above, Respondent maintained that he should not be held liable in this matter.

RELIEF REQUESTED

Claimant Walter Prossick requested approximately \$6,500.00 in actual damages.

Respondent Michael Riorden requested that the Claimant's claims be dismissed.

AWARD

Pursuant to Section 13 of the National Association of Securities Dealers, Inc. Code of Arbitration Procedure, a single public arbitrator, David Morris, Esq., was selected to review and determine the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimant on January 31, 1995 and by the Respondent on April 7, 1995.

And, the Arbitrator, having considered the proof of the Parties, has decided and determined in full and final resolution of the issues submitted for determination as follows:

1. The claims of Claimant Walter Prossick against Respondent Michael Riorden are dismissed in their entirety.
2. The parties shall bear their respective costs.
3. The \$150.00 filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimant shall be retained by the NASD, Inc.

Page Three
Award 95-00775

AFFIRMATION

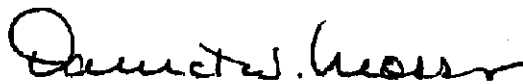
STATE OF NEW YORK

}
}

ss:

COUNTY OF SARATOGA

I, DAVID W. MORRIS, do hereby affirm upon my oath as arbitrator that I am
the individual described in and who executed this instrument, which is my oath and award.



Signature of Arbitrator

DATE OF DECISION: October 30, 1995