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N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

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AUG 28 1996

**FL ARBITRATION**

In the Matter of the Arbitration Between

Names of Claimants

Peter M. Morton  
Old Bradenton Land Corp.

95-03 112

Name of Respondent

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Securities Dealers, Inc.

Meridian Associates, Inc.

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**REPRESENTATION**

For Claimants, Peter M. Morton ("Morton") and Old Bradenton Land Corp. ("Old Bradenton"): pro se.

For Respondent, Meridian Associates, Inc. ("Meridian"): Compliance officer of Meridian Associates, Inc., Garden City, New York.

**CASE INFORMATION**

Statement of Claim filed: 6/26/95.

Claimants' Submission Agreement/Corporate Acknowledgment signed on: 6/22/95 by Peter Morton, individually and on behalf of the firm.

Respondent, Meridian, did not file a Statement of Answer or sign a Submission Agreement as required under Sections 12 and 25 of the Code of Arbitration Procedure.

**HEARING INFORMATION**

Hearing Date/Sessions: 6-6-96/2 sessions.

Hearing Location: Tampa, Florida.

### **CASE SUMMARY**

Claimants alleged that Respondent's fraudulent misrepresentation resulted in damages in excess of \$12,00.00. More specifically, Claimants alleged that Respondent, in pre-sale representations to Morton, stated that; (a) there would be virtually no chance of a fluctuation in the principal amount of capital invested in the fund; (b) the daily/operational aspects of the fund would be the same as a money market fund; and (3) there would be at least a 5% return on any capital invested in the fund. Claimants alleged that based on these representations, Morton invested.

### **RELIEF REQUESTED**

Claimants requested compensatory damages in the amount of \$12,000.00 plus costs.

### **OTHER ISSUES CONSIDERED & DECIDED**

1. The parties present at the hearing agreed that a handwritten, signed Award may be entered. In **this case**, the parties have agreed to receive a conformed copy of the Award while the original remains on file with the NASD.
2. Respondent, Meridian, did not submit an executed Submission Agreement nor did it appear at the hearing. Based upon the evidence submitted, this Arbitrator found that proper notice existed as well as jurisdiction pursuant to Section 12 (a) of the Code of Arbitration Procedure over Respondent. Pursuant to Section 29 of the Code of Arbitration Procedure and based upon evidence in Arbitrator's Exhibit No. 1, this Arbitrator proceeded with the hearing in Respondent's absence.

### **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. Respondent, Meridian, is found liable and shall pay to the Claimants the amount of **\$15,349.75**.
2. Respondent, Meridian, is further found liable and shall pay to the Claimants costs in the amount of \$200.00.
3. All other claims are hereby denied.

### **OTHER COSTS**

The parties shall each bear all other costs and expenses incurred by them in connection with this proceeding.

**FORUM FEES**

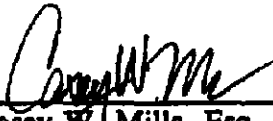
Pursuant to Section 43(c) of the Code of Arbitration Procedure, the Arbitrator has assessed Forum Fees in the amount of \$600.00 (2 sessions x \$300.00).

1. Respondent, Meridian, is hereby assessed Forum Fees in the amount of \$600.00, \$300.00 of which is payable directly to the Claimants, and \$300.00 of which shall be paid to the National Association of Securities Dealers, Inc.
2. The NASD shall retain the non-refundable filing fee of \$100.00 paid by the Claimants.
3. Respondent, Meridian, shall pay to the NASD the non-refundable member surcharge of \$200.00.

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

**ARBITRATOR**

**Arbitrator's Signature**

  
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Casey W. Mills, Esq.  
(Sole Public Arbitrator)

Date of Decision: August 26, 1996

**RECIPIENTS:**

Casey W. Mills, Esq.