

AWARD

NASD REGULATION, INC., OFFICE OF DISPUTE RESOLUTION

In the matter of the Arbitration Between

Name of Claimant(s)

**Robert Parker
La Deane Parker**

v.

Arbitration No.

96-02119

Name of Respondent(s)

**Brokers Investment Corporation
Martin W. May
Michael M. Markow
Daniel H. Steinberg
Bruce G. Clark**

REPRESENTATION

For Claimants: **Timothy A. Canning, Esq.
The Sapiro Law Firm
San Francisco, California**

**For Respondents Brokers Investment Corporation, Martin May, Daniel Steinberg and
Bruce Clark:**

No appearance

For Respondent Michael Markow:

**Michael R. Matthias, Esq.
Matthias & Berg LLP
Los Angeles, California**

CASE INFORMATION

Statement of Claim filed: May 13, 1996

Claimants' Submission Agreement signed: May 2, 1996

Statement of Answer filed by Michael Markow: May 14, 1997

Submission Agreement signed by Michael Markow: May 13, 1997

HEARING INFORMATION

A pre-hearing telephone conference was held on April 21, 1998, and lasted one session.

The hearing was held in San Francisco, California, as follows:

September 14, 1998	-	1 session
October 13, 1998	-	2 sessions

CASE SUMMARY

Claimants alleged that Respondents created and funded a fraudulent investment scheme called U.S. Fiberline, consisting of a series of limited partnerships intended to fund various types of telecommunications activities. Claimants alleged that their investment in U.S. Fiberline was fraudulently induced by Respondents, and that the money invested was used by Respondents for their own purposes.

Respondent Markow answered the claim, stating that he had no involvement with the offer or sale to Claimants of the investments at issue, that he had no involvement with the limited partnerships whatsoever, that he did not participate in the alleged fraud, that he had no contact or involvement with Claimants whatsoever, that the Statement of Claim made no specific allegations against him, and that he never received or had control or use of any Claimants' investment funds.

RELIEF REQUESTED

Claimants requested damages of more than \$300,000.00, plus interest, attorney's fees and costs of arbitration.

Respondent Markow requested dismissal of all claims.

OTHER ISSUES CONSIDERED AND DECIDED

The panel determined that service of the claim on Respondents Martin W. May and Bruce G. Clark had never been effectuated, and therefore that it had no jurisdiction over them in this matter.

At hearing on October 13, 1998, after hearing arguments on Respondent Markow's motion to dismiss, the undersigned arbitrators dismissed all claims asserted against him.

The parties at hearing agreed to receive conformed copies of the Award while the originals remain on file with NASDR.

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 Brokers Investment Corporation, Norman D. Shubert and Daniel H. Steinberg are jointly & severally liable for, and shall pay to Claimants the sum of \$392,656.46, plus interest at 10% per annum from October 13, 1998, until the award is paid in full.
2. The parties shall bear their respective costs of arbitration, including attorney's fees.

FORUM FEES

Pursuant to Section 10332 of the Code of Arbitration Procedure, the NASDR shall retain Claimants' \$200.00 non-refundable filing fee but shall refund the \$1,050.00 paid as hearing session deposit.

Respondents Brokers Investment Corporation, Norman D. Shubert and Daniel H. Steinberg are jointly and severally assessed all forum fees:

1 pre-hearing telephone conference @ \$750/session	\$ 750.00
3 hearing sessions @ \$750/session	<u>\$ 2,250.00</u>
Balance Due:	\$ 3,000.00

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

Concurring Arbitrators Signatures:

Public/Industry



Martin Mandel
Presiding Chairperson

Public

Mary Margaret Bush

Public

Herbert L. Brown

Industry

Date Served:
NOV 25 1998

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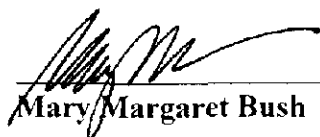
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