

N.A.S.D. REGULATION AWARD

NASD Regulation, Inc. Office of Dispute Resolution

In the Matter of the Arbitration Between

Name of Claimants

Joseph Welsh
Jerri Welsh
Juke Box, Inc.

96-02124

Name of Respondents

Chatfield Dean & Co., Inc.
G-V Capital Corp.
Bismark A. Badilla
Richard A. Frueh
Russell Osborn
Lawrence E. Kaplan

REPRESENTATION OF PARTIES

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

For Chatfield Dean & Co.,
G-V Capital Corp., and
Lawrence E. Kaplan:

Don D. Jacobson, Esq., Lohf, Shaiman & Jacobs, Denver, Colorado.

For Bismark A. Badilla: Michael Gonzalez, Esq., Law Offices of Michael Gonzalez, Tampa Florida.

For Richard A. Frueh: Robert K. Savage, Esq., Law Offices of Robert K. Savage, Tampa, Florida.

For Russell Osborn: He appeared pro se.

CASE INFORMATION

Claimants' Statement of Claim was filed on or about May 14, 1996.
Claimants' Submission Agreement was signed on April 27, 1996.
The Joint Statement of Answer for Respondents Chatfield Dean & Co., Inc., G-V Capital Corp., Lawrence E. Kaplan and Bismark A. Badilla was filed on or about June 26, 1996.
The Submission Agreement for Chatfield Dean & Co., Inc. was signed on July 8, 1996.
The Submission Agreement for G-V Capital Corp. was signed on July 10, 1996.
Lawrence E. Kaplan's Submission Agreement was signed on June 20, 1996.
Richard A. Frueh's Statement of Answer was filed on or about July 22, 1996.
Richard A. Frueh's Submission Agreement was signed on July 22, 1996.
Russell E. Osborn's Statement of Answer was filed on or about February 24, 1997.
Russell E. Osborn's Submission Agreement was signed on February 19, 1997.

HEARING INFORMATION

Pre-hearing conferences were held on:	February 11, 1997	1 session;
	March 16, 1998	1 session.
The hearing was held in San Francisco, California on:	November 17, 1997	1 session;
	April 21, 1998	1 session.

CASE SUMMARY

Claimants allege that the Respondents, along with others, acted to defraud them by manipulating the markets for three companies, Main Street & Main, IWI Holdings, and American United Global, Inc.. Claimants allege that Respondents conduct sustains three causes of action, common law fraud, negligence and breach of fiduciary duty.

Each of the Respondents denied the allegations set forth in the Statement of Claim.

RELIEF REQUESTED

Claimants requested an award in the amount of \$99,000 plus interest and costs. Additionally, Claimants requested an award of unspecified punitive damages.

Respondents requested that the claims asserted against it be denied in its entirety and that it be awarded its costs and attorneys' fees.

OTHER ISSUES CONSIDERED & DECIDED

Neither Bismark A. Badilla nor his counsel appeared at the hearing on April 21, 1998.

Upon review of the file and the representations made by/on behalf of the Claimants, the undersigned arbitrators have determined that Respondent Bismark A. Badilla had received due

notice of the hearing as required under §10315 of the Code and that arbitration of the matter would proceed pursuant to §10318 of the Code. Further, the undersigned arbitrators have determined that Respondent Bismark A. Badilla did not file with the NASD a properly executed submission to arbitration but is required to submit to arbitration pursuant to §10301 of the NASD Code of Arbitration Procedure (the "Code") and is bound by the determination of the arbitration panel on all issues submitted.

Claimants dismissed all allegations, with prejudice, as to Chatfield Dean & Co., Inc., G-V Capital Corp., Lawrence E. Kaplan, Richard A. Frueh and Russell Osborn prior to the hearing.

The parties have agreed that a handwritten, signed Award may be entered. The parties have agreed to receive conformed copies of the award while the original remains on file with NASD Regulation, Inc., Office of Dispute Resolution.

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:

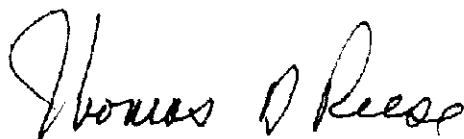
1. In full and final resolution of all claims raised by the Claimants in the Statement of Claim, the Claimants are awarded and Respondent Bismark A. Badilla shall pay to the Claimants the sum of \$15,000.00;
2. Claimants' request for punitive damages is denied;
3. Claimants' request for attorneys' fees is denied;
4. Each side to bear their own costs and expenses.

FORUM FEES

Forum fees are calculated at the rate of \$500 per hearing session. There were 2 hearing sessions and 2 pre-hearing conference sessions. All sessions accrued at the rate of \$500 per session, for total forum fees of \$2,000. Pursuant to §10332(b) of the NASD Regulation, Inc., Office of Dispute Resolution Code of Arbitration Procedure (the "Code"), a hearing session is any meeting between the parties and the arbitrator(s), including a pre-hearing conference with an arbitrator, which lasts four (4) hours or less. Pursuant to §10332(c) of the Code, \$500 in forum fees is assessed jointly and severally against all Respondents, the remaining \$1,000 in forum fees is assessed solely against Respondent Bismark A. Badilla.

Pursuant to §10332(c) of the Code, NASD Regulation, Inc. shall **retain** the non-refundable filing fee in the amount of \$150 and shall **refund** the hearing session deposit of \$500 previously deposited with NASD Regulation, Inc. by the Claimants.

Fees are payable to the NASD, Regulation, Inc.



Thomas D. Reese, Esq.
Public Arbitrator, Presiding Chair

Dated:

May 5, 1998

Sterling N. Frost
Public Arbitrator

Donald Ducerson
Industry Arbitrator

Date Served: May 7, 1998

RCV BY:
FROM : Sterling Frost

5- 5-98 :12:58PM :
PHONE NO. : 408 458 9217

408 458 9217-NASD ARBITRATION DPT:# 1
May. 05 1998 02:00PM P1

05-04-98 02:48 PM FROM NASD Arbitration

P06/06

Fees are payable to the NASD, Regulation, Inc.

Dated: _____

Thomas D. Reese, Esq.
Public Arbitrator, Presiding Chair


Sterling N. Frost
Public Arbitrator

May 5, 1998

Donald Duerson
Industry Arbitrator


Date Served: May 7, 1998

Fees are payable to the NASD, Regulation, Inc.

Dated:

Thomas D. Reese, Esq.
Public Arbitrator, Presiding Chair

Sterling N. Frost
Public Arbitrator


Donald Duerson
Industry Arbitrator

5-5-98

Date Served: May 7, 1998