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NASD REGULATION AWARD

In the Matter of the Arbitration Between

Name of Claimant

Gregory M. Gottschlich

96-05781

Name of Respondents

Meyers Pollock Robbins, Inc.
Ricky L. Smith

REPRESENTATION

For claimant Gregory M. Gottschlich ("claimant") appeared Walter Reynolds, Esq. of the law offices Porter, Wright, Morris & Arthur located in Dayton, Ohio.

For respondent Meyers Pollock Robbins, Inc. ("MPR") appeared Evan L. Gordon, Esq. with law offices in New York, New York.

Respondent Ricky L. Smith ("Smith") appeared pro se.

CASE INFORMATION

Claimant's Statement of Claim was filed on: December 20, 1996.

Claimant's Submission Agreement was signed on: December 9, 1996.

MPR's Statement of Answer was filed on: February 25, 1997.

MPR's Submission Agreement was signed on: February 26, 1997.

Smith did not file a Statement of Answer or a Submission Agreement.

HEARING INFORMATION

Hearing Dates/Sessions:

September 16, 1997

Three Sessions

The hearings were conducted at the Double Tree Guest Suite, located in Cincinnati, Ohio.

CASE SUMMARY

Claimant alleged that, on or about May 28, 1996, he purchased 1,500 shares of Panda Projects ("PNDA"). Claimant contended that, on or about June 11, 1996, in reliance upon information provided by his account representative, Smith, he directed Smith to place a market order to sell all 1,500 shares of PNDA. Claimant further contended that, although he authorized and directed MPR's agent to sell all 1,500 shares of PNDA, the transaction confirming the sale was not recorded in his account and the proceeds realized from the sale were never credited to his account. Claimant maintained that, as a result of MPR's failure to credit the proceeds realized from the sale of 1,500 shares of PNDA to his account, MPR unilaterally issued a margin call that resulted in the unauthorized sale of 500 Intel warrants.

MPR maintained that, on July 1, 1996, Smith was terminated from its employ. MPR contended that one of its branch managers advised claimant that the PNDA shares had not been sold at 20.625 per share and recommended to claimant that he sell the shares at the current value of 13 1/2 - 14 per share. MPR further contended that, in spite of this advice, claimant refused to sell the shares unless they were sold at 20.625 per share. In addition, MPR alleged that if claimant had adhered to its advice, claimant would not have had to sell his Intel warrants to meet a margin call. MPR also alleged that claimant chose not to sell the stock and to hold it and take the market risk.

In its third-party claim against Smith, MPR alleged that, after Smith's employment with it terminated, Smith concocted the story that he had received and executed a sell order from claimant when, in fact, no such sell order had been executed by him.

RELIEF REQUESTED

Claimant requested an award:

1. Declaring that the 1,500 shares of PNDA belonging to him were sold June 12, 1996;
2. Awarding him proceeds from the sale of PNDA in the amount of \$30,937.50 with interest 10% from that date.
3. Awarding profits lost from the sale of Intel Warrants in the amount of \$11,926.72 with interest from September 19, 1996.
4. Awarding margin interest paid by him in the amount of \$534.61 with interest at 10% from September 19, 1996.
5. Awarding punitive damages of \$50,000.00 or greater as deemed appropriate by the panel.

6. Awarding administrative costs of these proceedings including attorneys' fees.

MPR requested that the claim be dismissed in all respects, or, if it were determined that it owed any sum of money to claimant, then an award against Smith for any such amount be awarded to MPR.

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 originals remain on file with the NASD.

The panel made the following determinations concerning Smith, who did not file a Statement of Answer and a Submission Agreement in this matter:

1. Pursuant to Rule 10101 of the Code of Arbitration Procedure (the "Code"), the panel found subject matter jurisdiction over this entire controversy.
2. The panel found that Smith was a person associated with a member of the NASD at the time this controversy arose. Accordingly, the panel found personal jurisdiction over Smith pursuant to Rule 10301 of the Code.
3. The panel found that Smith was required to file a Statement of Answer and a Submission Agreement with NASD Regulation pursuant to Rule 10314(b) of the Code. In this regard, the panel found that the Statement of Claim was properly served upon Smith pursuant to Rule 10314(a) of the Code.

AWARD

After considering the pleadings, the testimony and the evidence presented at the hearing and post-hearing submissions, the undersigned arbitrators have decided in full and final resolution of the issues submitted for determination as follows:

1. Meyers be and hereby is liable for and shall pay to claimant the sum of **THIRTY FIVE THOUSAND FIVE HUNDRED DOLLARS (\$35,500.00)**.
2. Meyers be and hereby is liable for and shall pay to claimant the sum of \$500.00 to reimburse claimant for the hearing session deposit previously paid to NASD Regulation, Inc.
3. Claimant's request for punitive damages is hereby denied.
4. Claimant's requests for attorneys' fees, costs, and interest are hereby denied.

5. All claims against Smith are hereby dismissed in their entirety.
6. All other requests are hereby denied.

FORUM FEES

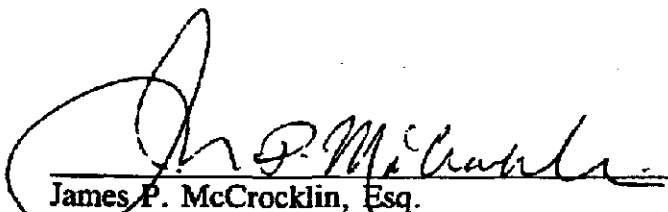
Pursuant to Rule 10332(c) of the Code, the arbitrators have determined that NASD Regulation, Inc. shall retain the \$150.00 non-refundable filing fee previously submitted by claimant, and the \$500.00 non-refundable filing fee previously submitted by MPR, and have assessed the following forum fees:

3 Hearing Sessions x \$500.00 = \$1,500.00

1. MPR be and hereby is liable for the sum of \$1,500.00, representing the total amount of forum fees assessed. Claimant previously deposited \$500.00 and Meyers previously deposited \$600.00 with NASD Regulation, Inc., and, therefore, Meyers shall pay the balance of \$400.00 to NASD Regulation, Inc.

2. MPR shall pay the sum of \$500.00 to claimant in accordance with the "Award" section above.

ARBITRATORS' SIGNATURES



James P. McCrocklin, Esq.
Public Chairperson

Patrick D. Carroll, Esq.
Public Panelist

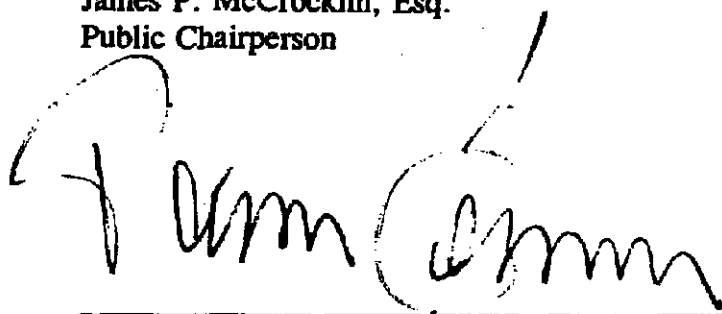
Scott Litwin
Industry Panelist

Date of Decision: January 13, 1998

7-10167

ARBITRATORS' SIGNATURES

James P. McCrocklin, Esq.
Public Chairperson

A handwritten signature in dark ink, appearing to read 'James P. McCrocklin', written over a horizontal line.

Patrick D. Carroll, Esq.
Public Panelist


Scott Litwin
Industry Panelist

Date of Decision: January 13, 1998

ARBITRATORS' SIGNATURES

James P. McCrocklin, Esq.
Public Chairperson

Patrick D. Carroll, Esq.
Public Panelist



Scott Litwin
Industry Panelist

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