

Award
NASD Dispute Resolution, Inc.

In the Matter of the Arbitration Between

Names of Claimants

Thomas Paige Holloway and Dana Holloway

Case No. 99-00387

Names of Respondents

H.J. Meyers & Co., Inc.
J. Bernard LoVerde, Jr.
Richard Hodges

REPRESENTATION OF PARTIES

For Thomas Paige Holloway and Dana Holloway (the "Holloways"), hereinafter collectively referred to as "Claimants": Simon S. Kogan, Esq. and Brian J. Neville, Esq. of Kogan, Taubman & Neville, L.L.C., New York, New York.

Respondent J. Bernard LoVerde, Jr. ("LoVerde") appeared pro se.

Respondent Richard Hodges ("Hodges") appeared pro se.

Respondent H.J. Meyers & Co., Inc. ("Meyers") did not appear.

CASE INFORMATION

Statement of Claim filed on or about: January 25, 1999.

Claimants' Response to Respondent LoVerde's Motion to Dismiss filed on or about: September 17, 1999.

Claimants signed the Uniform Submission Agreement: January 4, 1999.

Statement of Answer filed by Respondent LoVerde on or about: May 26, 1999.

Additional submission of Respondent LoVerde filed on or about: May 30, 1999.

Addendum to Motion to Dismiss filed by Respondent LoVerde on or about: August 28, 1999.

Motion to Expunge filed by Respondent LoVerde on or about: January 22, 2000.

Respondent LoVerde signed the Uniform Submission Agreement: June 20, 1999.

Respondents Meyers and Hodges did not file Statements of Answer or executed Uniform Submission Agreements.

CASE SUMMARY

Claimants asserted the following causes of action: Violation of Sections 10b-5 and 20A of the Securities Exchange Act of 1934; unauthorized trading; breach of fiduciary duty; common law fraud; breach of contract; negligence; failure to supervise; fraudulent inducement; and, churning. The causes of action relate to the unauthorized trades in the initial public offerings of ICIQ and CYBR and the churning of a variety of securities in Claimants' accounts.

Unless specifically admitted in his Answer, Respondent LoVerde denied the allegations made in the Statement of Claim and asserted the following: There is no basis for any liability against Respondent LoVerde under any theory as he is not alleged to have any connection with the purchase or sale of any security by Claimants; Claimants failed to establish any cause of action against Respondent LoVerde; and, Respondent LoVerde cannot be liable to Claimants under either a failure to supervise or control person theory of liability as he acted in good faith at all times and did not induce any of the wrongful conduct complained of by Claimants.

RELIEF REQUESTED

Claimants requested compensatory damages of \$44,076.00 plus interest, and an amount of punitive damages as determined by the Panel, along with costs and such further relief as the Panel deemed just and proper.

Respondent LoVerde requested that all claims be dismissed in their entirety against him and that the Panel order that all records maintained by the NASD Central Registration Depository ("CRD"), including Respondent LoVerde's Form U-5, which reference this matter be expunged.

OTHER ISSUES CONSIDERED AND DECIDED

Respondent Hodges did not file with NASD Dispute Resolution, Inc. a properly executed submission to arbitration but is required to submit to arbitration pursuant to the NASD-DR Code of Arbitration Procedure (the "Code") and is bound by the determination of the Panel on all issues submitted.

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.

On or about April 12, 1999, Respondent Meyers filed for protection pursuant to Chapter 7 of the United States Bankruptcy Code. As such, all proceedings with respect to this entity were stayed. Therefore, the Panel made no determinations with respect to the claims asserted against Respondent Meyers.

On or about September 27, 1999, the arbitration panel issued an Order which granted the

Motion to Dismiss of Respondent LoVerde. Thereafter, on or about October 11, 1999, the arbitration panel issued an order which granted the Motion to Expunge of Respondent LoVerde.

On or about December 6, 2000, Claimants informed NASD Dispute Resolution, Inc. that they had withdrawn, with prejudice, all claims against all Respondents.

AWARD

After considering the pleadings and the record in this matter, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

The Panel recommends the expungement of all references to the above-captioned arbitration from Respondent LoVerde's registration records maintained by the NASD CRD, with the understanding that pursuant to NASD Notice to Members 99-09, Respondent LoVerde must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution, Inc. will retain or collect the non-refundable filing fees for each

claim:

Initial claim filing fee

= \$120.00

Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firm(s) that employed the associated person(s) at the time of the event(s) giving rise to the dispute. In this matter, Respondent Meyers was no longer a member firm of the NASD at the time the Statement of Claim was served.

Adjournment Fees

Adjournments requested during these proceedings:

May 1, 2 and 3, 2000 Hearing Dates, adjournment by Claimants	= \$400.00
August 28, 2000 Hearing Dates, adjournment by Claimants	= \$800.00

Forum Fees and Assessments

The Panel assesses forum fees for each hearing session conducted. A hearing session is any meeting between the parties and the arbitrator(s), including a pre-hearing conference with the arbitrator(s), that lasts four (4) hours or less. Fees associated with these proceedings are:

Two Pre-hearing sessions with Panel x \$400.00	= \$800.00
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Pre-hearing conferences:	August 17, 1999	1 session
	August 23, 1999	1 session
One Hearing session x \$400.00		= \$400.00
Hearing Date:	<u>August 28, 2000</u>	<u>1 session</u>
Total Forum Fees		= \$1,200.00

The Panel has assessed \$600.00 of the forum fees to Claimants, jointly and severally.
The Panel has assessed \$600.00 of the forum fees to Respondent Hodges.

Administrative Costs

Administrative costs are expenses incurred due to a request by a party for special services including, but not limited to, additional copies of arbitrator awards beyond those provided without charge, copies of audio transcripts, retrieval of documents from archives, interpreters, and security.

There were no administrative costs incurred during these proceedings.

Fee Summary

Claimants be and hereby are jointly and severally liable for:

Initial Filing Fee	= \$120.00
Adjournment Fees	= \$1,200.00
Forum Fees	= \$600.00
Total Fees	= \$1,920.00
<u>Less payments</u>	<u>= \$975.00</u>
Balance Due NASD Dispute Resolution, Inc.	= \$945.00

Respondent Hodges be and hereby is solely liable for:

Forum Fees	= \$600.00
Total Fees	= \$600.00
<u>Less payments</u>	<u>= \$0.00</u>
Balance Due NASD Dispute Resolution, Inc.	= \$600.00

All balances are payable to NASD Dispute Resolution, Inc. and are due immediately upon receipt of the Award by the parties.

Concurring Arbitrators' Signatures

_____/s/_____
Hugh O. Brock, III, Esq.
Public Arbitrator, Presiding Chair

Signature Date

/s/
William E. Zachary, Jr., Esq.
Public Arbitrator

Signature Date

/s/
Joy L. Aldridge, Esq.
Industry Arbitrator

Signature Date

February 8, 2001
Date of Service (For NASD-DR office use only)

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Hearing Date:	August 23, 2000	1 session
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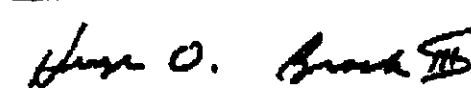
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Concurring Arbitrators' Signatures



Hugh O. Brock, III, Esq.
Public Arbitrator, Presiding Chair

12/26/00
Signature Date

Public Arbitrator

Joy L. Aldridge, Esq.
Industry Arbitrator

Signature Date


1.02.01
Signature Date

Date of Service (For NASD-DR office use only)

NASD Dispute Resolution, Inc.

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William E. Zachary, Jr., Esq.
Public Arbitrator

12/21/00

Signature Date

Joy L. Aldridge, Esq.
Industry Arbitrator

Signature Date

Date of Service (For NASD-DR office use only)