

Award
NASD Dispute Resolution, Inc.

In the Matter of the Arbitration Between

Name of Claimant

Douglas Kiessling

Case No. 00-00640

Name of Respondents

Cantone Research Inc.
Fleet Securities, Inc., f/k/a U.S. Clearing Co.
Anthony J. Cantone

Hearing Location: Washington, D.C.

REPRESENTATION OF PARTIES

Claimant, Douglas Kiessling ("Kiessling") was represented by Anthony J. Hom, Esq., Attorney at Law, New York, NY.

Respondents, Cantone Research Inc. and Anthony J. Cantone, hereinafter collectively referred to as "Respondents" were represented by Anthony J. Cantone, Respondent.

Respondent Fleet Securities, Inc. ("Fleet") was dismissed from this action by the Claimant prior to the hearing.

CASE INFORMATION

Statement of Claim filed on: February 11, 2000.

Claimant, Kiessling, signed the Uniform Submission Agreement: January 4, 2000.

Statement of Answer filed by Respondents Cantone Research Inc. and Cantone on: May 1, 2000.

Respondent, Cantone, signed the Uniform Submission Agreement: April 26, 2000.

Respondent, Cantone Research Inc., signed the Uniform Submission Agreement: April 24, 2000.

Statement of Answer filed by Respondent Fleet on: April 19, 2000.

Respondent, Fleet, signed the Uniform Submission Agreement: April 19, 2000.

CASE SUMMARY

Claimant asserted the following causes of action: fraud; breach of fiduciary duty; unsuitability; failure to supervise; negligence; breach of contract; and, violation of Section

10(b) and Rule 10b-5. Claimants allegations stemmed from the purchase and sale of various common stocks, including Musicland Stores, Apertus Technologies, Cortech, and Manhattan Bagels. The trades were effectuated with funds from both Kiessling's regular account, as well as his IRA account.

Unless specifically admitted in its Answer, Respondents Cantone Research Inc. and Cantone denied the allegations made in the Statement of Claim and asserted the following defenses: the Statement of Claim fails to state a claim against Respondents; ratification; Claimant suffered no damages; estoppel; and, any losses suffered by Claimant were the result of his own actions.

In their initial pleadings, Respondents sought a Motion to Dismiss the proceedings.

RELIEF REQUESTED

Claimant requested:

Compensatory Damages	\$73,181.63
Interest	amount unspecified
Other Costs	amount unspecified

Respondent requested:

Attorneys' Fees	amount unspecified
Other Costs	amount unspecified

OTHER ISSUES CONSIDERED AND DECIDED

At the hearing Claimant objected to Respondent Anthony J. Cantone appearing on behalf of Respondent Cantone Research Inc. The Panel ruled that Mr. Cantone could represent himself and Cantone Research Inc. at the hearing.

Additionally, Claimant alleged at the hearing a lack of trading authority on behalf of Respondents, however, did not wish to amend his Statement of Claim to reflect the additional allegation.

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.

AWARD

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

1. Claimant's claim is denied in its entirety;

2. Claimant shall pay to Respondents \$2,000.00 in costs. No interest is awarded on this amount;
3. The parties shall bear their respective costs, including attorneys' fees, except as Fees are specifically set forth below;
4. The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Anthony J. Cantone's registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 99-09, Respondent Anthony J. Cantone must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive; and,
5. any request for relief not specifically addressed herein is denied in its entirety.

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	= \$225
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Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firms that employed the associated person at the time of the events giving rise to the dispute. In this matter, the member firms are Respondent Cantone Research Inc. and Fleet Securities, Inc., f/k/a U.S. Clearing Corp.

Member surcharge	= \$1,000
Pre-hearing process fee	= \$ 600
Hearing process fee	= \$1,500

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, including a pre-hearing conference with the arbitrators, that lasts four (4) hours or less. Fees associated with these proceedings are:

One (1) Pre-hearing session with Panel x \$750	= \$ 750
Pre-hearing conference: January 17, 2001 1 session	
Four Hearing sessions x \$750	= <u>\$3,000</u>

Hearing Dates:	April 14, 2001	2 sessions	
	<u>April 15, 2001</u>	<u>2 sessions</u>	
Total Forum Fees			= \$3,750

The Panel has assessed \$3,750 of the forum fees to Claimant.

Fee Summary

Claimant, Kiessling, is assessed the following fees:

Initial Filing Fee	= \$ 225
<u>Forum Fees</u>	<u>= \$3,750</u>
Total Fees	= \$3,975
<u>Less payments</u>	<u>= \$ 975</u>
Balance Due NASD Dispute Resolution, Inc.	= \$3,000

Respondent, Cantone Research Inc., is assessed the following fees:

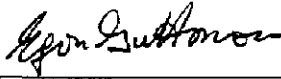
<u>Member Fees</u>	<u>= \$3,100</u>
Total Fees	= \$3,100
<u>Less payments</u>	<u>= \$3,100</u>
Balance Due NASD Dispute Resolution, Inc.	= \$00

All balances are due and payable to NASD Dispute Resolution, Inc.

ARBITRATION PANEL

Egon Guttman	-	Public Arbitrator, Presiding Chairperson
Joseph O'Donnell	-	Public Arbitrator
Anne Q. Uno	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures



Egon Guttman
Public Arbitrator, Presiding Chair

05.30.01

Signature Date

Joseph O'Donnell
Public Arbitrator

Signature Date

Anne Q. Uno
Industry Arbitrator

Signature Date

June 4, 2001
Date of Service (For NASD-DR office use only)

Concurring Arbitrators' Signatures

Eon Guttman
Public Arbitrator, Presiding Chair

Signature Date

Joseph O'Donnell
Joseph O'Donnell
Public Arbitrator

5/30/01
Signature Date

Anne Q. Uno
Industry Arbitrator

Signature Date

June 4, 2001
Date of Service (For NASD-DR office use only)

Concurring Arbitrators' Signatures

Eon Guttman
Public Arbitrator, Presiding Chair

Signature Date

Joseph O'Donnell
Public Arbitrator

Signature Date

Anne Q. Uno
Anne Q. Uno
Industry Arbitrator

5/26/01
Signature Date

June 4, 2001
Date of Service (For NASD-DR office use only)