

**Award**  
**NASD Dispute Resolution, Inc.**

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In the Matter of the Arbitration Between

**Name of Claimant**

Allan Boyne

Case No. 00-00699

**Names of Respondents**

Barron Chase Securities, Inc.  
Michael S. Bellina  
Shawn M. Meaney

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**REPRESENTATION OF PARTIES**

For Allan Boyne ("Boyne"), hereinafter referred to as "Claimant": Alan Foxman, Esq., Boca Raton, Florida.

For Barron Chase Securities, Inc. ("Barron Chase"): Eugene Michael Kennedy, Esq., Barron Chase Securities, Inc., Fort Lauderdale, Florida until his withdrawal as counsel on December 12, 2000. Thereafter, Respondent Barron Chase did not appear.

For Shawn M. Meaney ("Meaney"), hereinafter referred to as "Respondent": Neil S. Baritz, Esq., Dreier Baritz & Colman, Boca Raton, Florida.

Respondent Michael S. Bellina ("Bellina") did not appear.

**CASE INFORMATION**

Statement of Claim filed on or about: February 16, 2000.

Claimant signed the Uniform Submission Agreement: March 16, 2000.

Statement of Answer filed by Respondent Barron Chase on or about: June 26, 2000.

Respondent Barron Chase signed the Uniform Submission Agreement: April 28, 2000.

Statement of Answer filed by Respondent Meaney on or about: October 23, 2000.

Respondents Meaney and Bellina did not file executed Uniform Submission Agreements.

Respondent Bellina did not file a Statement of Answer.

**CASE SUMMARY**

Claimant asserted the following: 1) Respondents breached their contract with Claimant by recommending speculative and inappropriate investments to Claimant; 2) Respondents

breached their fiduciary duty to Claimant; and 3) Respondents violated Florida Statutes Chapter 517. The causes of action relate to Respondents' recommendations to Claimant to purchase shares of Touch Tone, Inc. ("Touch Tone") stock.

Unless specifically admitted in his Answer, Respondent Meaney denied the allegations made in the Statement of Claim and asserted the following defenses: 1) Claimant failed to state a cause of action upon which relief can be granted; 2) Claimant failed to exercise any degree of caution or due diligence; 3) Claimant's claims are barred under the doctrines of waiver, equitable estoppel and ratification; 4) Claimant's claims are barred by the applicable statutes of limitation and/or repose; 5) Claimant is not entitled to seek tort damages in the absence of personal injury or property damage, neither of which is alleged; and 6) Claimant is barred from recovery under the doctrines of indemnification and contribution.

Unless specifically admitted in its Answer, Respondent Barron Chase denied the allegations made in the Statement of Claim and asserted the following defenses: 1) Claimant's claim is barred by the applicable statute of limitations; 2) Claimant consented, directed, ordered and instructed all of the transactions in question; 3) Respondent Barron Chase did not willfully or knowingly participate in any violations of law nor did it act negligently in connection with Claimant's purchases; 4) Respondent Barron Chase acted in good faith and did not directly or indirectly induce the acts or omissions complained of by Claimant; 5) any actions are by the acts of persons outside of the scope of affiliation with Respondent Barron Chase or persons without actual or apparent authority from Respondent; 6) Claimant failed to state any cause of action upon which relief can be granted; 7) Claimant's claim is barred by waiver, estoppel, laches, affirmation, acquiescence and ratification; 8) Respondent Barron Chase complied with customary practice and applicable rules and regulations governing securities; 9) any damages were not proximately caused by Respondent Barron Chase or any affiliate of Respondent Barron Chase; 10) any damages were caused by market variables over which Respondent had no control; 11) Claimant failed to mitigate his damages; 12) Claimant assumed all risks associated with investments in his accounts; 13) Respondent Barron Chase did not guarantee the success of any investment decision by Claimant; and 14) all investments were consistent with Claimant's stated and confirmed investment objectives.

### **RELIEF REQUESTED**

Claimant requested compensatory damages of \$10,000.00 to \$25,000.00, plus interest, attorney's fees, the costs of this proceeding and such other relief as is deemed just and proper.

Respondent Meaney requested that all claims against him be dismissed and such other and further relief as is deemed just and proper. Respondent Meaney further requested that all references to this matter be expunged from his Central Registration Depository ("CRD") record.

Respondent Barron Chase requested that all claims against it be dismissed with prejudice, that Claimant be assessed all costs and attorney's fees, and such other and further relief as is

deemed just and proper.

### **OTHER ISSUES CONSIDERED AND DECIDED**

Respondents Barron Chase and Bellina did not attend the evidentiary hearing in this matter. Upon review of the file and the representations made on behalf of the Claimant, the undersigned arbitrator (the "Arbitrator") determined that Respondents Barron Chase and Bellina have been properly served with the Statement of Claim and received due notice of the hearing, and that arbitration of the matter would proceed without said Respondents present, in accordance with the NASD Code of Arbitration Procedure (the "Code").

Respondents Bellina and Meaney did not file with NASD Dispute Resolution, Inc. properly executed submissions to arbitration but are required to submit to arbitration pursuant to the Code and are bound by the determination of the Arbitrator on all issues submitted.

At the commencement of the evidentiary hearing, Claimant advised the Arbitrator that he had entered into a settlement agreement with Respondent Meaney. Claimant further advised that Claimant and Respondent Meaney were jointly requesting that all references to this matter be expunged from the CRD record of Respondent Meaney.

The party present at the evidentiary hearing has agreed 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 (if any), the Arbitrator has decided in full and final resolution of the issues submitted for determination as follows:

Respondents Barron Chase and Bellina are liable, jointly and severally, and shall pay to Claimant the sum of \$17,602.50 as compensatory damages plus pre-judgment interest at the rate of 10% per annum from August 1997 to May 2001 in the sum of \$6,597.32. The Award is based upon Respondents Barron Chase and Bellina's violation of Florida Statutes Chapter 517, breach of contract and breach of fiduciary duty.

Respondents Barron Chase and Michael Bellina are liable, jointly and severally, and shall pay to Claimant the sum of \$3,694.47 as attorney's fees. The award of attorneys fees is based upon Chapter 517, Florida Statutes.

Respondents Barron Chase and Michael Bellina are liable, jointly and severally, and shall pay to Claimant the sum of \$430.00 as reimbursement for Claimant's costs.

The Arbitrator determined that Respondents Barron Chase and Bellina are assessed, jointly and severally, the initial claim filing fee which was preliminarily waived by the Director of Arbitration.

The Arbitrator recommends the expungment of all references to the above-captioned arbitration proceeding from Respondent Meaney's NASD CRD record with the understanding that pursuant to NASD Notice to Members 99-09, Respondent Meaney must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungment directive.

All claims against Respondent Meaney are dismissed with prejudice.

All other requests for relief not specifically addressed herein are denied.

### **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 = \$125.00

#### **Member Fees**

Member fees are assessed to each member firm that is a party in these proceedings or to the member firm that employed the associated persons at the time of the events giving rise to the dispute. In this matter, the member firm is a party.

Member surcharge = \$400.00

#### **Adjournment Fees**

No adjournments were requested during these proceedings.

#### **Forum Fees and Assessments**

The Arbitrator 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 arbitrator, that lasts four (4) hours or less. Fees associated with these proceedings are:

One (1) Pre-hearing session with a single arbitrator x \$450.00 = \$450.00  
Pre-hearing conference: December 20, 2000 1 session

One (1) Hearing session x \$450.00 = \$450.00  
Hearing Date: May 9, 2001 1 session

Total Forum Fees = \$900.00

The Arbitrator has assessed the total forum fees of \$900.00 jointly and severally to Respondents Barron Chase and Bellina.

#### **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.

No administrative costs were incurred during these proceedings.

**Fee Summary**

Respondent Barron Chase be and hereby is solely liable for:

Member Fees	= \$400.00
Total Fees	= \$400.00
<u>Less payments</u>	<u>= \$400.00</u>
Balance Due NASD Dispute Resolution, Inc.	= \$0.00

Respondents Barron Chase and Bellina be and hereby are jointly and severally liable for:

Initial Filing Fee	= \$ 125.00
Forum Fees	= \$ 900.00
Total Fees	= \$1,025.00
<u>Less payments</u>	<u>= \$ 0.00</u>
Balance Due NASD Dispute Resolution, Inc.	= \$1,025.00

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

**ARBITRATION PANEL**

*Burt R. Rose*

*Public Arbitrator, Presiding Chair*

**Arbitrator's Signature**

/s/  
Burt R. Rose  
Public Arbitrator, Presiding Chair

Signature Date

June 19, 2001  
Date of Service (For NASD-DR office use only)

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Less payments	= \$ 0.00
Balance Due NASD Dispute Resolution, Inc.	= \$1,025.00

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

ARBITRATION PANEL

Burt R. Rose

Public Arbitrator, Presiding Chair

Arbitrator's Signature

Burt R. Rose

Burt R. Rose  
Public Arbitrator, Presiding Chair

June 18, 2001  
Signature Date

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