

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Andrew Weisz, Joseph Weisz, Yolanda Weisz, and Alexander & Yolanda Weisz Family Trust,
Claimants v. Continental Broker-Dealer Corp. and George Joseph Kurtis, Respondents

Case Number: 01-00916

Hearing Site: Los Angeles, California

REPRESENTATION OF PARTIES

For Claimants:

Jeff Dennis Ferentz, Esq.
Greenbaum & Ferentz LLP
Newport Beach, California

For Respondents:

Liam O'Brien, Esq.
Liam O'Brien and Associates
New York, New York

CASE INFORMATION

Statement of Claim filed: February 20, 2001

Claimants' Joint Uniform Submission Agreement signed: February 10, 2001

Joint Statement of Answer filed by Respondents: May 31, 2001

Respondent Continental Broker-Dealer Corp.'s Uniform Submission Agreement signed:
April 9, 2001

Respondent George Joseph Kurtis's Uniform Submission Agreement signed: April 16, 2001

CASE SUMMARY

Claimants alleged breach of contract, breach of fiduciary duty, failure to supervise, churning, unsuitability, fraud, negligence, and violation of NASD and SEC rules and regulations, involving unspecified securities.

Respondents denied the allegations of wrongdoing set forth in the Claimants' Statement of Claim.

RELIEF REQUESTED

Claimants requested \$540,000.00 in compensatory damages, unspecified punitive damages, loss of opportunity for profits, disgorgement of commissions and compensation, pre- and post-judgment interest, and costs, including attorney's fees.

Respondents requested dismissal of the Claimants' Statement of Claim in its entirety, and costs and disbursements.

OTHER ISSUES CONSIDERED AND DECIDED

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

- 1) Respondent Continental Broker-Dealer Corp. is liable to and shall pay Claimant The Alexander & Yolanda Weisz Family Trust the sum of \$92,567.00 in compensatory damages.
- 2) Respondent Continental Broker-Dealer Corp. is liable to and shall pay Claimant The Alexander & Yolanda Weisz Family Trust the sum of \$13,885.00 in interest.
- 3) Respondent Continental Broker-Dealer Corp. is liable to and shall pay Claimant The Alexander & Yolanda Weisz Family Trust the sum of \$32,399.00 in attorney's fees, pursuant to California Civil Code section 1717.
- 4) Respondent Continental Broker-Dealer Corp. is liable to and shall pay Claimants Andrew Weisz, Joseph Weisz, and Yolanda Weisz the sum of \$133,741.00 in compensatory damages.

- 5) Respondent Continental Broker-Dealer Corp. is liable to and shall pay Claimants Andrew Weisz, Joseph Weisz, and Yolanda Weisz the sum of \$46,810.00 in attorney's fees, pursuant to California Civil Code section 1717.
- 6) Respondent George Joseph Kurtis is dismissed with prejudice.
- 7) Claimants' request for punitive damages is denied.
- 8) Except as noted above, the parties shall bear their respective costs, including attorney's fees.
- 9) All other relief requested and not expressly granted is denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution received or will collect the non-refundable filing fees for each claim as follows:

Initial claim filing fee	= \$ 375.00
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Member Fees

Member fees are assessed to each member firm that is either a party in the matter or an employer of a respondent associated person at the time of the events that gave rise to the dispute, claim, or controversy. Accordingly, the member firm Continental Broker-Dealer Corp. is a party and the following fees are assessed:

Member Surcharge	= \$ 2,000.00
Pre-Hearing Process Fee	= \$ 600.00
<u>Hearing Process Fee</u>	= \$ 3,500.00
Total Member Fees	= \$ 6,100.00

Adjournment Fees

The following adjournment fees are assessed:

March 11 – 14, 2002 adjournment requested by Respondents	= \$ 1,200.00
June 10 – 13, 2002 adjournment requested by Claimants	= waived

Forum Fees and Assessments

The Panel assessed a forum fee for each pre-hearing conference or hearing session conducted. A pre-hearing conference and hearing session is any meeting between the parties and the Chair/Panel. The following fees are assessed:

2 Pre-hearing conference sessions with the Panel @ \$1,200.00/session	= \$ 2,400.00
Pre-hearing conferences: November 8, 2001 1 session	
February 13, 2003 1 session	
9 Hearing sessions @ \$1,200.00/session	= \$10,800.00
Hearings: February 4, 2003 2 sessions	
February 5, 2003 2 sessions	
February 6, 2003 2 sessions	
February 7, 2003 1 session	
June 17, 2003 1 session	
June 18, 2003 1 session	

Total Forum Fees	= \$13,200.00
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1. The Panel assessed \$ 6,600.00 of the forum fees jointly and severally to Claimants.
2. The Panel assessed \$ 6,600.00 of the forum fees to Respondent Continental Broker-Dealer Corp.

Administrative Costs

Administrative costs are expenses incurred because a party requested additional services beyond the normal administrative services. These additional services include, but are not limited to, additional copies of arbitrator awards, copies of audio transcripts, retrieval of documents from archives, interpreters, security, and sundry other requests.

Claimants requested copies of 12 hearing tapes:	= \$ 180.00
Claimants requested 7 photocopies @ \$0.50 each:	= \$ 3.50
Respondents requested copies of 5 hearing tapes:	= \$ 75.00
Respondents requested 20 photocopies @ \$0.50 each:	= \$ 10.00

Fee Summary

1. Claimants are charged jointly and severally with the following fees and costs:

Initial Filing Fee	= \$ 375.00
Forum Fees	= \$ 6,600.00
<u>Administrative Costs</u>	= \$ 183.50
Total Fees	= \$ 7,158.50
<u>Less payments</u>	= \$(1,755.00)
Balance Due NASD Dispute Resolution	= \$ 5,403.50

2. Respondent Continental Broker-Dealer Corp. is charged with the following fees and costs:

Member Fees	= \$ 6,100.00
Forum Fees	= \$ 6,600.00
Total Fees	= \$12,700.00
<u>Less payments</u>	= \$(6,100.00)
Balance Due NASD Dispute Resolution	= \$ 6,600.00

3. Respondents are charged jointly and severally with the following fees and costs:

Administrative Costs	= \$ 85.00
<u>Adjournment Fee</u>	= \$ 1,200.00
Total Fees	= \$ 1,285.00
<u>Less payments</u>	= \$(0.00)
Balance Due NASD Dispute Resolution	= \$ 1,285.00

All balances are payable to NASD Dispute Resolution and are due upon the receipt of the Award pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

David F. Morgan, Esq.	-	Public Arbitrator, Presiding Chair
Susan Vernon Wood, Esq.	-	Public Arbitrator
Walter R. Whitman	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures



David F. Morgan, Esq.
Chair, Public Arbitrator

June 17, 2003

Signature Date

Susan Vernon Wood, Esq.
Public Arbitrator

Signature Date

Walter R. Whitman
Non-Public Arbitrator

Signature Date

7/16/03

Date of Service

ARBITRATION PANEL

David F. Morgan, Esq.	-	Public Arbitrator, Presiding Chair
Susan Vernon Wood, Esq.	-	Public Arbitrator
Walter R. Whitman	-	Non-Public Arbitrator

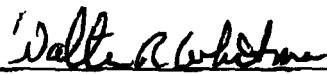
Concurring Arbitrators' Signatures

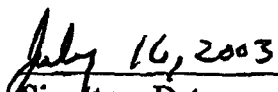
David F. Morgan, Esq.
Chair, Public Arbitrator

Signature Date

Susan Vernon Wood, Esq.
Public Arbitrator

Signature Date


Walter R. Whitman
Non-Public Arbitrator


Signature Date

7/16/03
Date of Service