

**Award**  
**NASD Dispute Resolution**

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In the Matter of the Arbitration Between:

Eugene C. Maloney, (Claimant)

v.

Magnum Securities of New York, Inc. and George William Lambro, (Respondents)

Case Number: 01-01134

Hearing Site: New York, New York

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**REPRESENTATION OF PARTIES**

Claimant, Eugene C. Maloney, hereinafter referred to as "Claimant" appeared *pro se* in this matter.

Respondent, George W. Lambro, ("Lambro") appeared *pro se* in this matter.

Respondent, Magnum Securities of New York, ("Magnum") did not make an appearance in this matter.

**CASE INFORMATION**

Statement of Claim filed on or about: March 8, 2001.

Amended Statement of Claim filed on or about: May 15, 2001.

Response to the Counterclaim filed by Claimant on or about: November 27, 2001.

Maloney signed the Uniform Submission Agreement: February 28, 2001.

Statement of Answer and Counterclaim filed by Lambro: July 23, 2001.

Lambro signed the Uniform Submission Agreement: February 4, 2002.

Magnum did not file a Statement of Answer nor sign a Uniform Submission Agreement.

**CASE SUMMARY**

Claimant asserted the following causes of action: unauthorized opening of credit card account and unpaid debt of unauthorized account.

Unless specifically admitted in his Answer, Lambro denied the allegations made in the Statement of Claim and asserted the following defense: Claimant authorized the opening of the account himself.

In his Counterclaim, Lambro asserted the following causes of action: Claimant entered two unauthorized trades in two separate accounts

### **RELIEF REQUESTED**

Claimant requested compensatory damages in the sum of \$39,500.00 and punitive damages in the sum of \$50,000.00.

Lambro requested that the panel dismiss the Statement of Claim in its entirety.

In his Counterclaim, Lambro requested compensatory damages in the sum of \$80,000.00 and \$1,000,000.00 in punitive damages.

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

Upon review of the file and the representations made by the Claimant, the undersigned arbitrators (the "Panel") determined that Magnum has been properly served with the Statement of Claim and received due notice of the hearing, and that arbitration of the matter would proceed without Magnum present, in accordance with the NASD Code of Arbitration Procedure (the "Code").

Magnum did not file with NASD Dispute Resolution a properly executed submission to arbitration but is required to submit to arbitration pursuant to 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.

### **AWARD**

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

1. Claimant's claims are hereby dismissed with prejudice.
2. Lambro's counterclaims are hereby dismissed without prejudice.
3. All other requests for relief are hereby denied.

**FEES**

Pursuant to the Code, the following fees are assessed:

**Filing Fees**

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

Initial claim filing fee	= \$ 225.00
Counter claim filing fee	= \$ 500.00

**Adjournment Fees**

Adjournments granted during these proceedings for which fees were assessed:

November 8, 2002, adjournment by Claimant	= \$ 1,200.00
February 2 and 3, 2003, adjournment by Lambro	= \$ 1,200.00

**Forum Fees and Assessments**

The Panel assesses forum fees for each session conducted. A session is any meeting between the parties and the arbitrators, 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 a single arbitrator x \$450.00	= \$ 450.00
Pre-hearing conference: December 18, 2001 1 session	

Two (2) Pre-hearing sessions with Panel x \$1,200.00	= \$ 2,400.00
Pre-hearing conferences: November 15, 2001 1 session	
December 27, 2001 1 session	

Three (3) Hearing sessions x \$1,200.00	= \$ 3,600.00
Hearing Dates: February 4, 2002 1 session	
September 20, 2002 1 session	
March 28, 2003 1 session	

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Total Forum Fees	= \$ 6,450.00
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1. The Panel has assessed \$3,225.00 of the forum fees against Claimant.
2. The Panel has assessed \$3,225.00 of the forum fees against Lambro.

**Fee Summary****1. Claimant is solely liable for:**

Initial Filing Fee	= \$ 225.00
Adjournment Fee	= \$ 1,200.00
<u>Forum Fees</u>	<u>= \$ 3,225.00</u>
Total Fees	= \$ 4,650.00
<u>Less payments</u>	<u>= \$ 1,425.00</u>
Balance Due NASD Dispute Resolution	= \$ 3,225.00

**2. Lambro is solely liable for:**

Filing Fee	= \$ 500.00
Adjournment Fee	= \$ 1,200.00
<u>Forum Fees</u>	<u>= \$ 3,225.00</u>
Total Fees	= \$ 4,925.00
<u>Less payments</u>	<u>= \$ 0.00</u>
Balance Due NASD Dispute Resolution	= \$ 4,925.00

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

**ARBITRATION PANEL**

Anna M. Fanelli, Esq.	-	Public Arbitrator, Presiding Chair
Malcolm H. Bloch, M.D	-	Public Arbitrator
Michael J. McManus	-	Non-Public Arbitrator

**Concurring Arbitrators' Signatures**

I, the undersigned arbitrator, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this is which is my award.



Anna M. Fanelli, Esq.  
Public Arbitrator, Presiding Chairperson

5/5/03  
Signature Date

Malcolm H. Bloch, M.D  
Public Arbitrator

\_\_\_\_\_  
Signature Date

Michael J. McManus  
Non-Public Arbitrator

\_\_\_\_\_  
Signature Date

May 7, 2003

\_\_\_\_\_  
Date of Service (For NASD Dispute Resolution use only)

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Michael J. McManus	-	Non-Public Arbitrator

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Anna M. Fanelli, Esq.  
Public Arbitrator, Presiding Chairperson

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Signature Date

  
\_\_\_\_\_  
Malcolm H. Bloch, M.D.  
Public Arbitrator

4/29/03  
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Signature Date

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Michael J. McManus  
Non-Public Arbitrator

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Signature Date

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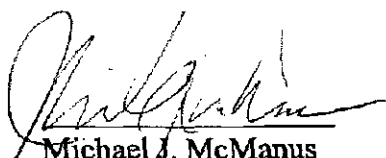
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Public Arbitrator, Presiding Chairperson

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