

**Award
NASD**

In the Matter of the Arbitration Between:

Name of the Claimant
Derrick Banks & Associates

Case Number: 01-01745

Names of the Respondents
Fin-Atlantic Securities, Inc.
Edward Catsos
Marc Goldberg

Hearing Site: Atlanta, Georgia

REPRESENTATION OF PARTIES

For Derrick Banks & Associates ("Banks") hereinafter referred to as "Claimant": Daniel I. MacIntyre, Esq. and Samuel T. Brannan, Esq. of Shapiro Fussell Wedge Smotherman Martin & Price, LLP, Atlanta, Georgia.

Respondent Marc Goldberg ("Goldberg") appeared pro se.

Respondent Fin-Atlantic Securities, Inc. ("Fin-Atlantic") did not appear.

For Respondent Edward Catsos ("Catsos"): Ronald Shindler, Esq. of Fowler White Burnett, P.A., Miami, Florida.

CASE INFORMATION

Statement of Claim filed on or about: April 5, 2001.

Letter dated December 13, 2001 filed by Claimant.

Claimant signed the Uniform Submission Agreement: July 16, 2001.

Statement of Answer filed by Respondent Catsos on or about: June 5, 2001.

Respondents did not file executed Uniform Submission Agreements.

CASE SUMMARY

Claimant asserted the following causes of action: misrepresentation; breach of fiduciary duty; theft; violations of federal and Georgia securities laws; and, failure to supervise. The causes of action relate to the unauthorized purchases and/or sale of shares of stock of Pallet Management Systems, Inc. and Sports Restaurants, Inc. in Claimant's account.

Unless specifically admitted in his Answer, Respondent Catsos denied the allegations made in the Statement of Claim and asserted various defenses.

RELIEF REQUESTED

Claimant requested from Respondents, jointly and severally, the amount of \$40,000.00, representing the losses in Claimant's account, plus a reasonable rate of return, as well as

attorneys' fees and punitive damages under Georgia law in a total amount not in excess of \$50,000.00.

Respondent Catsos requested that an award be entered in his favor dismissing the arbitration claim in its entirety, assessing the costs of the arbitration against Claimant, expunging this matter from Respondent Catsos' records with the Central Registration Depository ("CRD"), awarding Respondent Catsos reimbursement of his reasonable attorneys' fees and expenses for defending this proceeding and granting him such further relief as the Arbitrator deemed just and proper.

OTHER ISSUES CONSIDERED AND DECIDED

Respondents Fin-Atlantic and Goldberg did not appear in this matter. Upon review of the file and the representations made by/on behalf of the Claimant, the undersigned arbitrator (the "Arbitrator") determined that Respondents Fin-Atlantic and Goldberg 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 did not file with NASD 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 evidentiary hearing conducted on June 27, 2002, Claimant informed the Arbitrator that he had dismissed, with prejudice, all claims against Respondent Catsos.

The party present at the hearing agreed that the Award in this matter may be executed in counterpart copies.

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 Fin-Atlantic and Goldberg are liable, jointly and severally, and shall pay to Claimant the sum of \$20,282.00 plus interest at the rate of 6% per annum from May 18, 1998 until August 30, 2002. The bases for Respondents Fin-Atlantic's and Goldberg's liability are NASD Manual-Conduct Rules IM-2310-2(b)(4)(iii), E.F. Hutton & Co., Inc. v. Weeks, 166 Ga. App. 443,445 (1983), and the Georgia Securities Act, O.C.G.A. 10-5-12.

Respondents Fin-Atlantic and Goldberg are liable, jointly and severally, and shall pay to Claimant attorneys' fees in the sum of \$5,786.80 pursuant to section 12 of the Georgia Securities Act.

Respondents Fin-Atlantic and Goldberg are liable, jointly and severally, and shall pay to Claimant the sum of \$175.00 representing reimbursement of Claimant's filing fee previously paid to NASD.

Any and all relief requested not specifically addressed herein, including Claimant's request for punitive damages, are denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

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

Initial claim filing fee = \$175.00

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 Fin Atlantic ceased being a member firm of the NASD on April 25, 2001.

Member surcharge = \$800.00

Pre-hearing process fee = \$50.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

No requests for adjournment were granted in this matter for which fees were assessed.

Injunctive Relief Fees

Injunctive relief fees are assessed to each member or associated person who files for a temporary injunction in court. Parties in these cases are also assessed arbitrator travel expenses and costs when an arbitrator is required to travel outside his or her hearing location and additional arbitrator honoraria for the hearing for permanent injunction. These fees, except the injunctive relief surcharge, are assessed equally against each party unless otherwise directed by the Panel.

No injunctive relief fees were incurred in this matter.

Forum Fees and Assessments

The Arbitrator has assessed forum fees for each session conducted. A session is any meeting between the parties and the arbitrator, 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 a single arbitrator @ \$450.00 = \$900.00

Pre-hearing conferences: December 13, 2001 1 session

January 10, 2002

1 session

One Hearing session @ \$450.00

= \$450.00

Hearing Date:

June 27, 2002

1 session

Total Forum Fees

= \$1,350.00

The Arbitrator has assessed the total forum fees of \$1,350.00 to Respondents Fin-Atlantic and Goldberg, jointly and severally.

Administrative Costs

Administrative costs are expenses incurred due to a request by a party for special services beyond the normal administrative services. These include, but are not limited to, additional copies of arbitrator awards, copies of audio transcripts, retrieval of documents from archives, interpreters, and security.

No administrative costs were incurred in this matter.

FEE SUMMARY

Claimant is solely liable for:

Initial Filing Fee = \$175.00

Total Fees = \$175.00

Less payments = \$175.00

Balance Due NASD = \$0.00

Respondent Fin-Atlantic is solely liable for:

Member Fees = \$850.00

Total Fees = \$850.00

Less payments = \$0.00

Balance Due NASD = \$850.00

Respondents are jointly and severally liable for:

Forum Fees = \$1,350.00

Total Fees = \$1,350.00

Less payments = \$0.00

Balance Due NASD = \$1,350.00

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

Code.

ARBITRATOR

Derry W. Drake, MBA

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Public Arbitrator, Presiding Chair

Arbitrator's Signature

/S/

Derry W. Drake, MBA
Public Arbitrator, Presiding Chair

Signature Date

July 24, 2002

Date of Service (For NASD office use only)


Code.

ARBITRATOR

Derry W. Drake, MBA

Public Arbitrator, Presiding Chair

Arbitrator's Signature


Derry W. Drake, MBA
Public Arbitrator, Presiding Chair

July 22, 2002
Signature Date

Date of Service (For NASD office use only)