

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

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In the Matter of the Arbitration Between:

Jeff Lowden, Claimant v. Preston Langley Asset Management, Inc., Robert W. Lisnoff, Jr.,  
Brian Carroll, Joe Digirolamo and J.B. Oxford & Company, Respondents

Case Number: 01-01872

Hearing Site: Los Angeles, California

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**REPRESENTATION OF PARTIES**

For Claimant:

John C. Breslo, Esq.  
Knapp & Roberts, PC  
Scottsdale, Arizona

For Respondent Preston Langley  
Asset Management, Inc.:

Robert W. Lisnoff, Jr.  
GKL Resident Agents/Filings Inc.  
Carson City, Nevada

For Respondent Robert W. Lisnoff, Jr.:

In propria persona

For Respondent Brian Carroll:

In propria persona

For Respondent Joe Digirolamo:

In propria persona

For Respondent J.B. Oxford & Company:

Jeffrey S. Kob, Esq.  
Miller Milove & Kob  
San Diego, California

**CASE INFORMATION**

Statement of Claim filed: April 9, 2001

First Amended Statement of Claim filed: September 18, 2001

Claimant's Uniform Submission Agreement signed: undated

Statement of Answer filed by Respondent J.B. Oxford & Company: June 25, 2001

Respondent J.B. Oxford & Company's Uniform Submission Agreement signed: May 25, 2001

### **CASE SUMMARY**

Claimant's Statement of Claim alleged fraud, breach of contract, breach of fiduciary duty, negligence, failure to supervise, misrepresentations, non-disclosures, unauthorized trading, churning, omission of facts, and unsuitability, involving unspecified securities.

Claimant's First Amended Statement of Claim added Robert Lisnoff as a respondent.

Respondent J.B. Oxford & Company denied the allegations of wrongdoing set forth in the Claimant's Statement of Claim.

### **RELIEF REQUESTED**

Claimant requested \$25,808.00 in actual damages, \$50,000.00 in punitive damages, and costs, including attorney's fees.

Respondent J.B. Oxford & Company requested dismissal of the Claimant's Statement of Claim in its entirety.

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

On or about September 17, 2001, Claimant dismissed without prejudice Respondent Preston Langley Asset Management, Inc.

At the commencement of the hearing, Claimant dismissed Respondent Robert W. Lisnoff, Jr.

Upon review of the file and the representations made by/on behalf of the Claimant, the undersigned Panel determined that Respondents Brian Carroll and Joe Digirolamo were 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 Robert W. Lisnoff, Jr., Brian Carroll and Joe Digirolamo did not file with the NASD Dispute Resolution a properly executed submission agreement but are required to submit to arbitration pursuant to the Code and are bound by the determination of the Panel on all issues submitted.

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

1. Respondents Brian Carroll and Joe Digirolamo are jointly and severally liable to and shall pay Claimant the sum of \$20,700.00 in compensatory damages.
2. The parties shall bear their respective costs, including attorney's fees.
3. All other relief 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	= \$ 225.00
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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 which gave rise to the dispute, claim, or controversy. Accordingly, the member firm J.B. Oxford & Company is a party and the following fees are assessed:

Member Surcharge	= \$ 1,000.00
Pre-Hearing Process Fee	= \$ 600.00
<u>Hearing Process Fee</u>	<u>= \$ 1,500.00</u>
<b>Total Member Fees</b>	<b>= \$ 3,100.00</b>

**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 @ \$750.00/session	= \$ 1,500.00
Pre-hearing conferences: March 28, 2002	1 session
June 11, 2002	1 session
2 Hearing sessions @ \$750.00/session	= \$ 1,500.00
Hearing: September 24, 2002	2 sessions
<b>Total Forum Fees</b>	<b>= \$ 3,000.00</b>

1. The Panel assessed \$ 500.00 of the forum fees to Claimant.
2. The Panel assessed \$ 2,500.00 of the forum fees jointly and severally to Respondents J.B. Oxford & Company, Brian Carroll and Joe Digirolamo.

**Fee Summary**

1. Claimant is charged with the following fees and costs:

Initial Filing Fee	= \$ 225.00
Forum Fees	= \$ 500.00
Total Fees	= \$ 725.00
Less payments	= \$( 975.00)
<b>Refund Due Claimant</b>	<b>= \$( 250.00)</b>
2. Respondent J.B. Oxford & Company is charged with the following fees and costs:

Member Fees	= \$ 3,100.00
Less payments	= \$( 1,600.00)
<b>Balance Due NASD Dispute Resolution</b>	<b>= \$ 1,500.00</b>
3. Respondents J.B. Oxford & Company, Brian Carroll and Joe Digirolamo are charged jointly and severally with the following fees and costs:

Forum Fees	= \$ 2,500.00
Less payments	= \$ 0.00
<b>Balance Due NASD Dispute Resolution</b>	<b>= \$ 2,500.00</b>

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**

Elizabeth A. Copley, Esq.	-	Public Arbitrator, Presiding Chair
Mark S. Priver, Esq.	-	Public Arbitrator
Carl W. Vaicek, Jr.	-	Non-Public Arbitrator

**Concurring Arbitrators' Signatures**

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Elizabeth A. Copley, Esq.  
Chair, Public Arbitrator

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Signature Date

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Mark S. Priver, Esq.  
Public Arbitrator

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Signature Date

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Carl W. Vaicek, Jr.  
Non-Public Arbitrator

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Signature Date

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Date of Service

**ARBITRATION PANEL**

Elizabeth A. Copley, Esq.	-	Public Arbitrator, Presiding Chair
Mark S. Priver, Esq.	-	Public Arbitrator
Carl W. Valcek, Jr.	-	Non-Public Arbitrator

**Consenting Arbitrators' Signatures**

  
Elizabeth A. Copley, Esq.  
Chair, Public Arbitrator

10/10/02  
Signature Date

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Mark S. Priver, Esq.  
Public Arbitrator

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Signature Date

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Carl W. Valcek, Jr.  
Non-Public Arbitrator

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Signature Date

10/15/02  
Date of Service

**ARBITRATION PANEL**

Elizabeth A. Copley, Esq.	-	Public Arbitrator, Presiding Chair
Mark S. Priver, Esq.	-	Public Arbitrator
Carl W. Vaicek, Jr.	-	Non-Public Arbitrator


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Mark S. Priver, Esq.  
Public Arbitrator

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Signature Date

  
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Carl W. Vaicek, Jr.  
Non-Public Arbitrator

10-12-02  
Signature Date

10/15/02  
Date of Service