

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

Harvey Mesnikoff IRA (Claimant) v. Ryan Beck & Co., Inc., Gruntal & Co., LLC, and
Jason Rubinstein (Respondents)

Case Number: 02-05465

Hearing Site: New York, New York

Nature of the Dispute: Customer v. Member, Terminated Member, and Associated
Person.

REPRESENTATION OF PARTIES

Claimant Harvey Mesnikoff IRA ("Mesnikoff") hereinafter referred to as "Claimant":
Zenon B. Masnyj, Esq., New York, NY.

Respondent Ryan Beck & Co., Inc. ("Ryan Beck"): Joel E. Davidson, Esq., Davidson &
Grannum, LLP, Northvale, NJ. Previously represented by: Joanne DiStaulo-Spataro,
Esq., Davidson & Grannum, Northvale, NJ.

Respondent Gruntal & Co., LLC, ("Gruntal") did not enter an appearance in this matter.

Respondent Jason Rubinstein ("Rubinstein") did not enter an appearance in this matter.

CASE INFORMATION

Statement of Claim filed on or about: September 13, 2002.

Amended Statement of Claim filed on or about: October 7, 2003.

Claimant signed the Uniform Submission Agreement: August 22, 2002.

Statement of Answer filed by Respondent Ryan Beck on or about: November 21, 2003.

Respondent Ryan Beck did not sign the Uniform Submission Agreement.

Respondent Gruntal did not file a Statement of Answer or sign the Uniform Submission
Agreement.

Respondent Rubinstein did not file a Statement of Answer or sign the Uniform
Submission Agreement.

CASE SUMMARY

Claimant asserted the following causes of action: suitability; churning; breach of fiduciary duty; breach of contract; omission to state material facts. Claimant's claim involved various unit investment trusts, mutual funds, and common stocks.

Unless specifically admitted in its Answer, Respondent Ryan Beck denied the allegations made in the Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

Claimant requested compensatory damages in the amount of \$77,672.83; interest in the amount of \$6,000.00; forum fees; attorneys' fees; and other case-related costs.

Respondent Ryan Beck requested that Claimant's claim be dismissed in its entirety; costs and fees; and any other relief deemed appropriate by the Arbitration Panel.

OTHER ISSUES CONSIDERED AND DECIDED

Upon review of the file and the representations made on behalf of the Claimant, the undersigned arbitrators (the "Panel") determined that Respondent Rubinstein had 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 Respondent present, in accordance with the NASD Code of Arbitration Procedure (the "Code").

Respondent Ryan Beck did not file with NASD Dispute Resolution a properly executed Uniform Submission Agreement but is required to submit to arbitration pursuant to the Code and, having answered the claim, is bound by the determination of the Panel on all issues submitted.

On or about October 29, 2002, Gruntal filed for bankruptcy under Chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the Southern District of New York. Therefore, all claims against Gruntal were stayed.

On or about December 15, 2003, Respondent Ryan Beck filed a Motion to Dismiss. The Motion and any responses were forwarded to the Panel. On or about March 22, 2004, the Panel granted Respondent Ryan Beck's Motion to Dismiss.

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, and 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. Respondent Rubinstein is liable for and shall pay to Claimant compensatory damages in the amount of \$36,000.00, plus interest at the rate of 12% per annum from July 25, 2001 until the date of payment of the award.
2. Any and all relief not specifically addressed herein is 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
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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 person at the time of the events giving rise to the dispute. Accordingly, Ryan Beck & Co., Inc. is a party.

Member surcharge	= \$1,100.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$1,700.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

May 26, 2004, adjournment by Claimant	= Waived
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Forum Fees and Assessments

The Panel has assessed 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:

Two (2) Pre-hearing sessions with Panel @ \$750.00	= \$1,500.00
Pre-hearing conferences:	
April 14, 2003	1 session
October 22, 2003	1 session
Two (2) Hearing sessions @ \$750.00	= \$1,500.00
Hearing Dates:	
July 16, 2003	1 session
September 23, 2004	1 session
Total Forum Fees	= \$3,000.00

1. The Panel has assessed \$1,500.00 of the forum fees against Claimant.
2. The Panel has assessed \$1,500.00 of the forum fees against Respondent Rubinstein.

Fee Summary

1. Claimant is solely liable for:

Initial Filing Fee	= \$ 225.00
<u>Forum Fees</u>	<u>= \$1,500.00</u>
Total Fees	= \$1,725.00
<u>Less payments</u>	<u>= \$ 975.00</u>
Balance Due NASD Dispute Resolution	= \$ 750.00

2. Respondent Ryan Beck is solely liable for:

<u>Member Fees</u>	<u>= \$3,550.00</u>
Total Fees	= \$3,550.00
<u>Less payments</u>	<u>= \$3,550.00</u>
Balance Due NASD Dispute Resolution	= \$ 0.00

3. Respondent Rubinstein is solely liable for:

<u>Forum Fees</u>	<u>= \$1,500.00</u>
Total Fees	= \$1,500.00
<u>Less payments</u>	<u>= \$ 0.00</u>
Balance Due NASD Dispute Resolution	= \$1,500.00

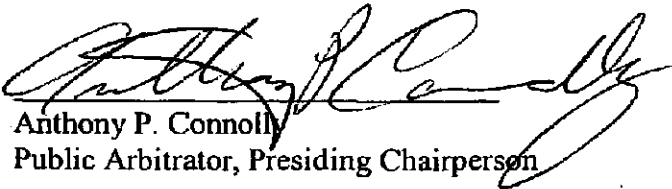
All balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

Anthony P. Connolly	-	Public Arbitrator, Presiding Chairperson
William E. Nuckel	-	Public Arbitrator
Anthony George Gero	-	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 instrument in which is my award.


Anthony P. Connolly
Public Arbitrator, Presiding Chairperson

9/29/04
Signature Date

William E. Nuckel
Public Arbitrator

Signature Date

Anthony George Gero
Non-Public Arbitrator

Signature Date

October 8, 2004
Date of Service (For NASD Dispute Resolution use only)

ARBITRATION PANEL

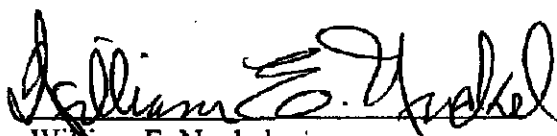
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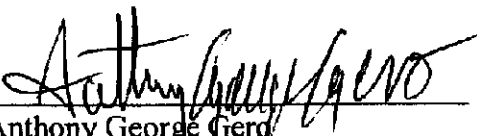
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Signature Date

William E. Nuckel
Public Arbitrator

Signature Date



Anthony George Gero
Non-Public Arbitrator

Sept 30, 04

Signature Date

October 8, 2004

Date of Service (For NASD Dispute Resolution use only)