

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

James P. Grosso (Claimant) v. First Montauk Securities Corp. and Guy Gebbia
(Respondents)

Case Number: 03-02755

Hearing Site: New York, New York

Nature of the Dispute: Customer vs. Member and Associated Person.

REPRESENTATION OF PARTIES

Claimant James P. Grosso ("Grosso") hereinafter referred to as "Claimant": Charles M. O'Rourke, Esq., Woodbury, NY. Previously appeared *pro se*.

Respondents First Montauk Securities Corp. ("FMSC") and Guy Gebbia ("Gebbia") hereinafter collectively referred to as "Respondents": Joel Levinson, Esq., First Montauk Securities Corp., Red Bank, NJ. Previously represented by: Paul A. Lieberman, Esq., First Montauk Securities Corp., Red Bank, NJ.

CASE INFORMATION

Statement of Claim filed on or about: April 11, 2003.

Claimant signed the Uniform Submission Agreement: April 10, 2003.

Joint Statement of Answer filed by Respondents on or about: June 9, 2003.

Respondent FMSC signed the Uniform Submission Agreement: June 9, 2003.

Respondent Gebbia did not sign the Uniform Submission Agreement.

CASE SUMMARY

Claimant asserted the following cause of action: unauthorized trading. Claimant's claim involved the sale of Integrated Health Care ("IHTC").

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

Claimant requested the sale of 20,000 shares of IHTC be cancelled.

Respondents requested that Claimant's claim be dismissed in its entirety, that the record

of this proceeding be ordered expunged from Respondent Gebbia's records, and that Respondents be awarded their attorneys' fees and forum fees.

OTHER ISSUES CONSIDERED AND DECIDED

Respondent Gebbia 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, and appeared and testified at the hearing, is bound by the determination of the Panel on all issues submitted.

Closing arguments were presented to two arbitrators with approval and consent of both parties and a stipulation to that effect was entered upon the record. Arbitrator Alan Braunshweiger listened to the last hour of the tapes of the closing arguments and then jointly deliberated with the Panel. The parties agreed to this procedure.

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. It is the unanimous decision of the Panel that the Claimant did not carry his burden of proof of an unauthorized sale. Accordingly, Claimant's claims are dismissed.
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	= \$250.00
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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, First Montauk Securities Corp. is a party.

Member surcharge	= \$1,500.00
Pre-hearing process fee	= \$ 750.00

Hearing process fee = \$2,200.00

Adjournment Fees

Adjournments granted during these proceedings for which fees were assessed:

January 22, 2004, adjournment by Claimant = \$1,000.00

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:

One (1) Pre-hearing session with Panel @ \$1,000.00 = \$1,000.00
Pre-hearing conference: November 21, 2003 1 session

One (1) Pre-hearing session with Single Arbitrator @450.00 = \$ 450.00
March 11, 2004 1 session

Three (3) Hearing sessions @ \$1,000.00 = \$3,000.00
Hearing Dates: January 20, 2004 1 session
April, 2, 2004 2 sessions

Total Forum Fees = \$4,450.00

1. The Panel has assessed \$2,225.00 of the forum fees against Claimant.
2. The Panel has assessed \$2,225.00 of the forum fees jointly and severally against Respondents.

Fee Summary

1. Claimant is solely liable for:

Initial Filing Fee	= \$ 250.00
Adjournment Fee	= \$1,000.00
<u>Forum Fees</u>	<u>= \$2,225.00</u>
Total Fees	= \$3,475.00
<u>Less payments</u>	<u>= \$2,000.00</u>
Balance Due NASD Dispute Resolution	= \$1,475.00
2. Respondent FMSC is solely liable for:

<u>Member Fees</u>	<u>= \$4,450.00</u>
Total Fees	= \$4,450.00
<u>Less payments</u>	<u>= \$4,450.00</u>
Balance Due NASD Dispute Resolution	= \$ 0.00

3. Respondents are jointly and severally liable for:

<u>Forum Fees</u>	= \$2,225.00
<u>Total Fees</u>	= \$2,225.00
<u>Less payments</u>	= \$ 0.00
<u>Balance Due NASD Dispute Resolution</u>	= \$2,225.00

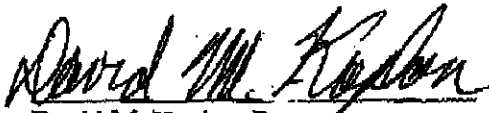
All balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to Rule 10330(g) of the Code.

ARBITRATION PANEL

David M. Kaplan, Esq.	-	Public Arbitrator, Presiding Chair
David N. Brainin, Esq.	-	Public Arbitrator
Alan S. Braunschweig, Esq.	-	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, which is my award.



David M. Kaplan, Esq.
Public Arbitrator, Presiding Chairperson

4-20-04

Signature Date

David N. Brainin, Esq.
Public Arbitrator

Signature Date

Alan S. Braunschweig, Esq.
Non-Public Arbitrator

Signature Date

April 21, 2004
Date of Service (For NASD Dispute Resolution use only)

ARBITRATION PANEL

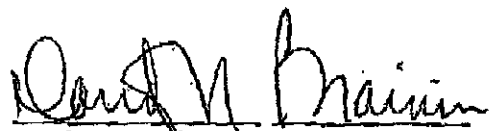
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Signature Date



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Public Arbitrator

April 20, 2004

Signature Date

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Non-Public Arbitrator

April 21 2004
Signature Date

April 21, 2004

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