

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

---

In the Matter of the Arbitration Between:

Lawrence E. Merenstein, Barbara E. Harmeyer, Barbara E. Harmeyer IRA, Lawrence E. Merenstein IRA, Lawrence E. Merenstein and Barbara E. Harmeyer JTWROS, and Lawrence E. Merenstein cust. for Louis Merenstein (Claimants) v. CIBC World Markets Corp. and John Sturges (Respondents)

Case Number: 03-05633

Hearing Site: New York, New York

---

Nature of the Dispute: Customers v. Member and Associated Person.

**REPRESENTATION OF PARTIES**

Claimants Lawrence E. Merenstein ("L. Merenstein"), Barbara E. Harmeyer ("B. Harmeyer"), Barbara E. Harmeyer IRA ("B. Harmeyer IRA"), Lawrence E. Merenstein IRA ("L. Merenstein IRA"), Lawrence E. Merenstein and Barbara E. Harmeyer JTWROS ("L. Merenstein and B. Harmeyer JTWROS"), and Lawrence E. Merenstein cust. for Louis Merenstein ("L. Merenstein Cust.") hereinafter collectively referred to as "Claimants" appeared *pro se* through Lawrence E. Merenstein and Barbara A. Harmeyer, Chappaqua, NY.

Respondents CIBC World Markets Corp. ("CIBC") and John Sturges ("J. Sturges") hereinafter collectively referred to as "Respondents": Peter Vaughan, Esq., CIBC World Markets Corp., New York, NY.

**CASE INFORMATION**

Statement of Claim filed on or about: August 20, 2003.

Response to Respondents' Motion to Dismiss filed on or about: February 17, 2004.

Claimants signed the Uniform Submission Agreement: October 20, 2003.

Joint Statement of Answer, Motion to Dismiss, or in the Alternative, Motion for a More Definite Statement, filed by Respondents on or about: January 14, 2004.

Respondent CIBC signed the Uniform Submission Agreement: December 5, 2003 and January 27, 2004.

Respondent Sturges signed the Uniform Submission Agreement: January 28, 2004.

### **CASE SUMMARY**

Claimants asserted the following causes of action: breach of contract; negligence; failure to supervise; misrepresentations; and suitability.

Claimants' claim involved annuities; common stock; municipal bonds; municipal bond funds; and mutual funds.

Unless specifically admitted in their Answer, Motion to Dismiss, or in the Alternative, Motion for a More Definite Statement, Respondents denied the allegations made in the Statement of Claim and asserted various affirmative defenses.

### **RELIEF REQUESTED**

Claimants requested compensatory damages in the approximate amount of \$500,000.00 to \$1,000,000.00.

Respondents requested that Claimants' Statement of Claim be dismissed, with prejudice, in its entirety.

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

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. Claimants' claims are dismissed in their entirety.
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

= \$375.00

**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, CIBC World Markets Corp. is a party.

Member surcharge	= \$2,250.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$4,000.00

**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 @ \$1,200.00	= \$1,200.00
Pre-hearing conference: March 29, 2004 1 session	
Four (4) Hearing sessions @ \$1,200.00	= \$4,800.00
Hearing Dates: July 12, 2004 2 sessions	
July 13, 2004 2 sessions	
Total Forum Fees	= \$6,000.00

1. The Panel has assessed \$4,000.00 of the forum fees jointly and severally against Claimants.
2. The Panel has assessed \$2,000.00 of the forum fees jointly and severally against Respondents.

**Fee Summary**

1. Claimants are jointly and severally liable for:

Initial Filing Fee	= \$ 375.00
Forum Fees	= \$4,000.00
Total Fees	= \$4,375.00
<u>Less payments</u>	= \$1,700.00
Balance Due NASD Dispute Resolution	= \$2,675.00
2. Respondent CIBC is solely liable for:

<u>Member Fees</u>	= \$7,000.00
Total Fees	= \$7,000.00
<u>Less payments</u>	= \$7,050.00
Refund Due CIBC	= \$ 50.00

3. Respondents are jointly and severally liable for:

<u>Forum Fees</u>	= \$2,000.00
<u>Total Fees</u>	= \$1,500.00
<u>Less payments</u>	= \$1,500.00
Balance Due NASD Dispute Resolution	= \$ 0.00

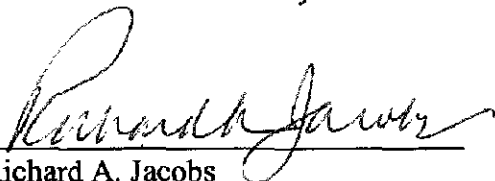
All balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to Rule 10330(g) of the Code.
---

**ARBITRATION PANEL**

Richard A. Jacobs	-	Public Arbitrator, Presiding Chairperson
Stephen B. Haken, Esq.	-	Public Arbitrator
Emilie Caravasios	-	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 is which is my award.

  
Richard A. Jacobs  
Public Arbitrator, Presiding Chairperson

  
Signature Date

\_\_\_\_\_  
Stephen B. Haken, Esq.  
Public Arbitrator

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

\_\_\_\_\_  
Emilie Caravasios  
Non-Public Arbitrator

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

\_\_\_\_\_  
August 4, 2004  
Date of Service (For NASD Dispute Resolution use only)

**ARBITRATION PANEL**

Richard A. Jacobs	-	Public Arbitrator, Presiding Chairperson
Stephen B. Haken, Esq.	-	Public Arbitrator
Emilie Caravasios	-	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 is which is my award.

\_\_\_\_\_  
Richard A. Jacobs  
Public Arbitrator, Presiding Chairperson

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

  
\_\_\_\_\_  
Stephen B. Haken, Esq.  
Public Arbitrator

8/4/04  
\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Emilie Caravasios  
Non-Public Arbitrator

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

August 4, 2004

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

**ARBITRATION PANEL**

Richard A. Jacobs	-	Public Arbitrator, Presiding Chairperson
Stephen B. Haken, Esq.	-	Public Arbitrator
Emilie Caravasios	-	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 is which is my award.

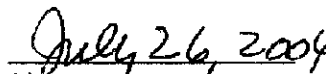
\_\_\_\_\_  
Richard A. Jacobs  
Public Arbitrator, Presiding Chairperson

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

\_\_\_\_\_  
Stephen B. Haken, Esq.  
Public Arbitrator

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

  
Emilie Caravasios  
Non-Public Arbitrator

  
Signature Date

August 4, 2004

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