

NASD DISPUTE RESOLUTION AWARD
NASD DISPUTE RESOLUTION

CASE: 04-01446

Shawn W. Delmar, (Claimant) v. LaJolla Capital Corp., Pacific Cortez Securities, Centex Securities, Harold B. Gallison, Sr., Harold B. Gallison, Jr., Christos V. Kiziroglou, John A. Perrone, and Eric P. Lesak, (Respondents)

ATTORNEYS:

For Claimant Shawn W. Delmar ("Claimant") appeared Robert B. George, Esq., of the firm Diorio & Sereni, LLP, Media, PA.

Respondent John A. Perrone appeared *pro se*, Rockaway Beach, NY.

Respondents La Jolla Capital Corp., Pacific Cortez Securities, Centex Securities, Harold B. Gallison, Sr., Harold B. Gallison, Jr., Christos V. Kiziroglou, and Eric P. Lesak did not file Statements of Answer in this matter.

NATURE OF DISPUTE: Customer v. Members and Associated Persons.

DATE FILED: March 3, 2004.

CASE SUMMARY: Claimant alleged that Respondents made material misrepresentations regarding shares of BNEK. Claimant further alleged negligence, failure to supervise, breach of fiduciary duty, omissions of facts, suitability, unauthorized trading, and manipulation. Claimant maintained that due to Respondents' actions, his account suffered losses. Claimant's claim involved BNEK common stock.

Claim Data

Claim: \$12,325.00
Punitive: \$12,675.00
Attorney Fees: \$7,500.00
Interest: \$0.00
Filing Fees: \$425.00
Other: Unspecified

Award Data

Award: \$12,325.00
Punitive: \$12,675.00
Attorney Fees: \$7,500.00
Interest: March 25, 1998 until paid.
Filing Fees: \$425.00
Other: \$0.00

AWARD: The undersigned arbitrator has decided and determined in full and final resolution of the issues submitted for determination as follows: 1) Respondents Christos Kiziroglou and Eric Lesak are jointly and severally liable for and shall pay Claimant \$12,325.00. 2) Respondents Christos Kiziroglou, and Eric Lesak are jointly and severally liable for and shall pay Claimant punitive damages in the amount of \$12,675.00 because of Respondents' gross negligence. 3) Respondents Christos Kiziroglou and Eric Lesak are jointly and severally liable for and shall pay Claimant attorney fees in the amount of \$7,500.00 pursuant to the Pennsylvania Unfair Trade Practices and Consumer Protection Law. 4) Respondents Christos Kiziroglou and Eric Lesak are jointly and severally liable for and shall pay Claimant interest at the statutory legal rate of Pennsylvania from March 25, 1998 until date of payment of award. 5) All other relief requests

Page Two
Award 04-01446

are denied. 6) NASD Dispute Resolution shall retain the \$425.00 filing fee that the Claimant deposited previously. 6) Respondents Christos Kizioglou and Eric Lesak are jointly and severally liable for and shall pay Claimant \$425.00 as reimbursement of the filing fee.

OTHER ISSUES: In accordance with the SIPC Order dated May 27, 1999, all claims against Respondents La Jolla Capital Corp., Pacific Cortez Securities, Centex Securities, Harold Gallison, Sr., and Harold Gallison, Jr. are stayed.

Page Three
Award 04-01446

Dolores Williams Trojak, CPA

Sole Public Arbitrator

AFFIRMATION

I, Dolores Williams Trojak, CPA, do hereby affirm, upon my oath as arbitrator that I am the individual described herein who executed this instrument, which is my oath and award.

Dolores Williams Trojak, CPA
Dolores Williams Trojak, CPA

7/12/05
Signature Date

July 13, 2005
Date of Service (For NASD-DR office use only)