

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

---

In the Matter of the Arbitration Between:

Harold T. Randolph (Claimant) v. Ameriprop, Inc. and Anthony Otto DeGregorio, Sr.  
(Respondents)

Case Number: 04-02725

Hearing Site: New York, New York

---

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

**REPRESENTATION OF PARTIES**

Claimant Harold T. Randolph ("Randolph") hereinafter referred to as "Claimant": Barry R. Lax, Esq., The Lax Law Firm, New York, NY.

Respondent Anthony Otto DeGregorio, Sr. ("DeGregorio") appeared *pro se*.

Respondent Ameriprop, Inc. ("Ameriprop") did not make an appearance in this matter.

DeGregorio and Ameriprop are hereinafter collectively referred to as "Respondents".

**CASE INFORMATION**

Statement of Claim filed on or about: April 12, 2004.

Claimant signed the Uniform Submission Agreement: April 5, 2004.

Statement of Answer filed by Respondent DeGregorio on or about: August 27, 2004.

Respondent DeGregorio did not sign the Uniform Submission Agreement.

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

**CASE SUMMARY**

Claimant asserted the following causes of action: securities fraud (1934 Act and Rule 10b-5); breach of fiduciary duty; common law fraud; failure to provide Claimant with competent professional services and breached their contractual and legal duties to them; failure to supervise; control person liability; respondeat superior; and negligence, gross negligence, and negligent supervision. The causes of action relate to IBF Participating Income Fund Series 2000 12%.

Unless specifically admitted in his Answer, Respondent DeGregorio denied the allegations made in the Statement of Claim.

### **RELIEF REQUESTED**

Claimant requested compensatory damages in the amount of \$81,000.00, plus commission and interest damages; interest until the date that the award is fully paid and satisfied; punitive damages; expenses, legal fees, and disbursements; and such other relief as the arbitrators deem just and proper.

### **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 Ameriprop has 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 DeGregorio 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.

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 and post-hearing submissions, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. Respondents are jointly and severally liable for and shall pay to Claimant compensatory damages in the amount of \$69,191.00.
2. Respondents are jointly and severally liable for and shall pay to Claimant expenses in the amount of \$23,064.00.
3. Claimant must assign all of his rights, title, and interest in IBF IV Limited Partnership to Respondent DeGregorio.
4. Any and all relief not specifically addressed herein, including punitive damages, 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

**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 @ \$750.00 = \$ 750.00

Pre-hearing conference: September 14, 2004 1 session

Two (2) Hearing sessions @ \$750.00 = \$1,500.00

Hearing Date: November 3, 2004 2 sessions

---

Total Forum Fees = \$2,250.00

1. The Panel has assessed \$2,250.00 of the forum fees jointly and severally against Respondents.

**Fee Summary**

1. Claimant is solely liable for:

Initial Filing Fee	= \$ 225.00
Total Fees	= \$ 225.00
Less payments	= \$ 975.00
Refund Due Claimant	= \$ 750.00

2. Respondents are jointly and severally liable for:

Forum Fees	= \$2,250.00
Total Fees	= \$2,250.00
Less payments	= \$ 0.00
Balance Due NASD Dispute Resolution	= \$2,250.00

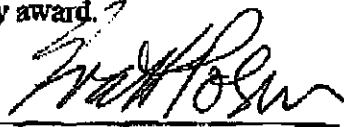
All balances are payable to NASD Dispute Resolution and are due upon receipt pursuant to Rule 10330(g) of the Code.

**ARBITRATION PANEL**

Eva H. Posman, Esq.	-	Public Arbitrator, Presiding Chairperson
Charles H. B. Braisted	-	Public Arbitrator
Kenneth L. Lampert	-	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.

  
\_\_\_\_\_  
Eva H. Posman, Esq.  
Public Arbitrator, Presiding Chairperson

11/19/04  
\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Charles H. B. Braisted  
Public Arbitrator

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

\_\_\_\_\_  
Kenneth L. Lampert  
Non-Public Arbitrator

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

November 22, 2004  
\_\_\_\_\_  
Date of Service (For NASD Dispute Resolution use only)

**ARBITRATION PANEL**

Eva H. Posman, Esq.	-	Public Arbitrator, Presiding Chairperson
Charles H. B. Braisted	-	Public Arbitrator
Kenneth L. Lampert	-	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.

\_\_\_\_\_  
Eva H. Posman, Esq.  
Public Arbitrator, Presiding Chairperson

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

  
\_\_\_\_\_  
Charles H. B. Braisted  
Public Arbitrator

 11/18/04  
\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Kenneth L. Lampert  
Non-Public Arbitrator

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

November 22, 2004  
Date of Service (For NASD Dispute Resolution use only)

**ARBITRATION PANEL**

Eva H. Posman, Esq.	-	Public Arbitrator, Presiding Chairperson
Charles H. B. Braisted	-	Public Arbitrator
Kenneth L. Lampert	-	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.

\_\_\_\_\_  
Eva H. Posman, Esq.  
Public Arbitrator, Presiding Chairperson

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

\_\_\_\_\_  
Charles H. B. Braisted  
Public Arbitrator

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

Kenneth L. Lampert  
Kenneth L. Lampert  
Non-Public Arbitrator

11/8/04  
Signature Date

November 22, 2004  
Date of Service (For NASD Dispute Resolution use only)