

**NYSE ARCA
115 Sansome Street
San Francisco, CA 94104**

In The Matter Of The Arbitration Between:

**Vtrader Pro, LLC and GreenTree
Capital Markets, LLC**

Claimants

v.

Frank Perre

Respondent

NYSE Arca CASE #: 06-S002

DECISION

The undersigned Arbitrators, having read and considered the Claim submitted by Claimants and having considered evidence presented at the hearing on May 24, 2006, hereby render the following Decision pursuant to Rule 12 of NYSE Arca (f/k/a Pacific Exchange):

REPRESENTATION OF PARTIES

Of Claimants: Herbert Kurlan and Arnaldo Capote, *pro se*

Of Respondent: Did not appear at the hearing

HISTORY OF CASE

Statement of Claim filed on or about: February 10, 2006

Statement of Answer filed on or about: None Filed

Arbitration Hearing Date: May 24, 2006

SUMMARY OF CASE

Claimants alleged that Respondent Frank Perre ("Respondent") completed a GreenTree Capital Markets, LLC Subscription Agreement on or about November 11, 2004 for a Class B

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Membership Interest. Respondent deposited \$70,000 in 2004 and 2005, some in response to margin calls. Claimants' further allege that Respondent's account turned consistently negative on or about May 27, 2005, and Respondent failed to respond to Claimants' requests to fund the deficit balances.

Respondent did not submit an Answer and did not appear at the hearing.

ISSUES PRESENTED

The Issues Presented to this Panel include:

- Whether Respondent had an obligation to fund a deficit balance in his trading account.
- Whether Claimants alerted Respondent to his deficit balance.
- Whether Respondent was provided with adequate notice of this arbitration matter in accordance with Rule 12 and what the appropriate response of this Arbitration Panel should be, in light of Respondent's failure to file an Answer or Counterclaim, and Respondent's failure to attend the May 24, 2006 arbitration hearing.

RELIEF REQUESTED

Claimants request that the Panel find in favor of Claimants, and order Respondent to fully fund his deficit balance in the amount of \$73,758. Claimants also request that Respondent be ordered to fully reimburse Claimants for their forum costs.

DECISION

The Panel examined a signed copy of the GreenTree Capital Markets, LLC Subscription Agreement dated November 11, 2004. The Panel also examined selected trader account analyses evidencing Respondent's periodic deposits, some in response to margin calls, during the history of the account.

The Panel was also provided with correspondence from the Pacific Exchange (n/k/a NYSE Arca) to the Respondent dated April 12, 2006, citing Respondent's failure to timely respond to Claimants' Statement of Claim, and correspondence from the Pacific Exchange dated May 2, 2006, alerting Respondent to the May 24, 2006 hearing date and location. The Exchange's correspondence also observed that, in accordance with Rule 12.17(b), the hearing would

proceed whether or not the Respondent made an appearance.

After considering the argument and evidence of the Claimants, including the above-referenced documents, and the applicability of Rule 12, the undersigned Arbitrators make the final determination and decision of the issues presented, as set forth below:

1. Respondent did have an obligation to fund the deficit balance in his account and was duly notified by Claimants of the balance. Thus, The Panel finds in favor of the Claimants and orders Respondent to pay monetary damages in the amount of **\$73,758** to the Claimants.
2. Respondent is also ordered to reimburse Claimants for the following costs associated with this arbitration:
 - **\$1,100** Filing Fee
 - **\$750** Hearing Session Deposit
 - **\$1,100** Member Surcharge
3. Respondent was provided with sufficient notice and opportunity to answer the Statement of Claim and with sufficient notice of the May 24, 2006 arbitration hearing, in accordance with NYSE Arca Rule 12.
4. The actions of Respondent Frank Perre should be referred to Enforcement, NYSE Regulation, for disciplinary investigation of possible rule violations and possible violation of federal securities laws.

Dated: 6/5/06

Kenneth Dominguez
Kenneth Dominguez, Chairperson, Arbitrator

Dated: 6/6/06

Richard B. Bullock
Richard Bullock, Arbitrator

Dated: 6/12/06

Robert Fisher
Robert Fisher, Arbitrator