

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

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In the Matter of the Arbitration Among	)	
Ronald D'Agnessa,	)	
	)	Case #87-01822
vs.	)	Award
Douglas Bremen & Co., Inc.,	)	
	)	
	)	
	)	
vs.	)	
Brian Higgins,	)	
	)	
	)	
Third-Party Respondent	)	
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CASE SUMMARY

Claimant alleges that his broker, Brian Higgins, fraudulently induced him to purchase \$15,674.50 worth of Maxaxam, a speculative stock, and stated that the security would increase in value. Respondent Douglas Bremen & Co., Inc. (Bremen) denies the allegations and alleges that Claimant specifically wanted to invest in speculative securities even after he was advised to diversify his portfolio. Bremen asserts a third-party claim against Brian Higgins (Higgins) under the theory that if the wrongful acts that were committed, they were committed by Higgins, and he did so outside the scope of his employment. Higgins denies the allegations of the third-party claim and alleges that his activities were undertaken solely at the suggestion and approval of Bremen and were, therefore, within the scope of his employment. Higgins also asserts five Affirmative Defenses.

RELIEF REQUESTED

Claimant requests that the Panel award him damages in the amount of \$15,674.50 and assess costs against Respondent, Bremen. Respondent, Bremen, requests that the panel dismiss the claim, assess costs and attorney's fees against Claimant and for contribution or indemnification from Higgins, should the panel find it liable to Claimant. Third-party Respondent, Higgins, requests a dismissal of the third-party claim in its entirety.

AWARD

On July 24, 1989 and August 24, 1989, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed by Claimant, Ronald D'Agnessa, on October 21, 1987 and by Respondent and Third-Party Claimant, Douglas Bremen & Co., Inc. and Third-Party Respondent Brian Higgins, on January 11, 1988 and April 27, 1988.

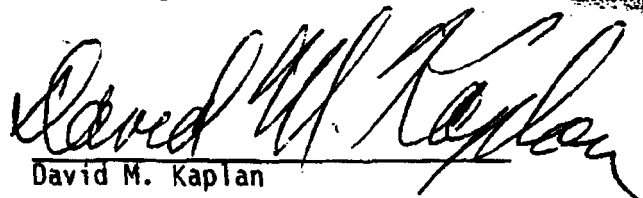
respectively. The hearing was held in New York City, New York and consisted of four hearing sessions. The arbitration panel, having considered the pleadings, the testimony, and the evidence presented at the hearing, has determined in full and final resolution of the issues submitted for determination as follows:

1. Respondent, Douglas Bremen & Co., Inc., is hereby liable and shall pay Claimant, Ronald D'Agnessa Seven Thousand, Eight Hundred and Thirty-Seven Dollars and Twenty-Five Cents (\$7,837.25).
2. No interest is awarded on the above sum.
3. All other claims are denied.
4. The parties shall each bear their respective costs including attorneys' fees;
5. Pursuant to Section 43 of the Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. shall retain \$200.00 of the \$400.00 filing fee previously deposited by the Claimant, and Respondent, Douglas Bremen & Co., Inc., is assessed \$1,400.00 in forum costs which shall be made payable to the NASD through its staff counsel.

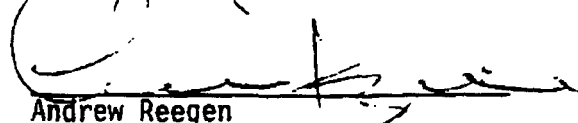
OTHER ISSUES

After the conclusion of examination of Brian Higgins, Respondent Douglas Bremen, withdrew its third-party claim against Brian Higgins.

CONCURRING ARBITRATORS

  
David M. Kaplan

  
Yafe Chenen

  
Andrew Reegen