

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of Arbitration Between/Among

Peter Porcelli

Claimant

vs.

North American Investment Corporation
Michael Risley and
John Morrissey

Respondents

Case #88-01324
Award

CASE SUMMARY

Claimant Peter Porcelli alleged that Respondent engaged in securities transactions in Claimant's account without the knowledge and consent of the Claimant by "parking stock." Claimant further alleged that the unauthorized transactions in his account by the Respondents caused his account to be liquidated to cover positions created by Respondents. Respondent North American Investment Corporation maintained that all the transactions in Mr. Porcelli's account were fully authorized by the Claimant. Respondent John Morrissey maintained all transactions in the Claimant's account were executed with the knowledge and consent of the Claimant and denied that stock was "parked" in the account.

RELIEF REQUESTED

Claimant requested damages in the amount of \$54,372.05. Respondent North American Investment Corporation asserted a counterclaim against the Claimant for \$3,839.42 plus costs and asserted Cross claims against John Morrissey and Michael Risley for indemnification. Respondent John Morrissey requested that the claim of the Claimant be dismissed.

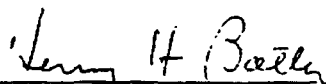
AWARD

On March 19, 1990 and May 30, 1990 in four (4) hearing sessions in New York City, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed by Claimant Peter Porcelli on April 21, 1988, and by Respondent North American Investment Corporation on July 5, 1988, and not signed by Respondent Jay Morrissey as required by Section 12 and 25 of the Code of Arbitration Procedure. All claims were withdrawn with prejudice against Respondent Michael Risley upon stipulation of the parties prior to the first hearing session in this matter.

The initial claim was filed on April 26, 1988. 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. The claims of the Claimant against all Respondents be and hereby are dismissed in their entirety.
2. The cross claims of North American Investment Corporation against Michael Risley and John Morrissey be and hereby are dismissed in their entirety.
3. The counterclaim of Respondent North American Investment Corporation against the Claimant be and hereby is dismissed in its entirety.
4. The parties shall each bear their respective costs including attorney's fees.
5. Pursuant to Section 43 of the Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. shall refund the \$500.00 filing fee previously deposited by the Claimant as costs of the four (4) hearing sessions conducted in this matter upon payment of \$2,000.00 in forum fees assessed against Respondent North American Investment Corporation to be made payable to the National Association of Securities Dealers, Inc.

CONCURRING ARBITRATORS


Henry Balter

Allen Kilik

Alan Rosenblum

DATED: June 12, 1990

AWARD


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