

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between

Sidney I. and Frances Rovak

Claimants

vs.

William A. Slone

Respondent

Case #88-03128

AWARD

CASE SUMMARY

Claimants alleged that Respondent churned their retirement account to generate excessive commissions and fraudulently misrepresented to the Claimants the type of securities that he was trading in their account. The Respondent denied the allegations of the Claimants and maintained that the transactions in the account were not excessive. Respondent further maintained that the Claimants acquiesced in and approved his investment strategy for their account.

RELIEF REQUESTED

Claimants requested relief on their causes of action in the amount of \$21,107.87 plus punitive damages in the amount of \$179,416.89 (or punitive damages in the amount of \$63,623.61) plus \$63,623.61 in RICO damages plus interest and attorneys fees. Respondent requested that he be awarded as a counterclaim all attorneys fees and costs.

AWARD

On August 6, 1989 the undersigned arbitrators heard the controversy between the parties in New York City in three hearing sessions as set forth in submissions to the arbitrators signed by the Claimants, Sidney I. and Frances Rovak on July 23, 1988 and by Respondent, William A. Slone on December 12, 1988. By stipulation of the parties at the first hearing session, the hearing went forward to a decision with two arbitrators when the third arbitrator was required to be absent from the hearing. The initial Statement of Claim was filed with the National Association of Securities Dealers, Inc. on October 7, 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 Claimants, Sidney I. and Frances Rovak be and hereby are dismissed in all respects.
2. The counterclaim of Respondent, William A. Slone be and hereby is dismissed in all respects.
3. Each party shall each bear their own costs and attorneys fees.
4. Pursuant to Section 43 of the Code of Arbitration Procedure the National Association of Securities Dealers, Inc. shall retain the \$1,000.00 filing fee previously deposited by the Claimant. All other forum fees are specifically waived by the panel.

ARBITRATORS CONCURRING



JOSEPH J. ARATA

Dated: October 4, 1989



VINCENT BUCHANAN