

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between

Edward C. Geppi

Claimant(s)

vs.

Spear Securities

Respondent(s)

CASE #88-03443

AWARD

CASE SUMMARY

Claimant, Geppi, purchased 2,000 shares of American Technology Corporation stock through Respondent Spear for a total of \$1,080.00 on August 10, 1987. On October 10, 1988, Geppi sold said shares through Spear for a total of \$120.00. Geppi claims that Spear's account statement did not reflect the true price of the shares over the course of his ownership. Geppi alleges that he would have sold the shares when they reached .40 but was not aware of the decline through that price.

Respondent Spear maintains that they have no duty to inform clients of declines in stock prices and that claimant could have discovered the true share price through other sources.

RELIEF REQUESTED

Claimant purchased 2,000 shares of American Technology Corporation stock at .50 per share on August 10, 1987. Claimant alleges that he sold the stock until October 10, 1988 when he sold it for .06 per share, or \$120.00.

AWARD

On June 7, 1989 the arbitrator heard the controversy between the parties as set forth in submissions to arbitration signed by Claimant on October 31, 1989 and by Respondent on December 9, 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. Each and every claim of claimant Edward C. Geppi is dismissed in its entirety.
2. The parties shall each bear their respective costs including attorneys' fees.
3. Pursuant to Section 43 of the National Association of Securities Dealers, Inc. (NASD) Code of Arbitration Procedure, the NASD shall retain the \$15.00 filing fee previously deposited by the Claimant.

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PRESIDING ARBITRATOR

DATE SERVED: 09/11/89

Delores I. Smith, Esq.
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