

In the Matter of the Arbitration Between

Douglas Ressenman

Claimant

and

Morgan Gladstone and Company, Inc. and  
Gregory Brooks

Respondent(s)

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In its answer filed with the NASD on or about August 25, 1989, Respondent Morgan denied the allegations set forth by Claimant and asserted the affirmative defense found in the customer agreement which states, in part, "No arbitration or other proceeding with respect to a controversy may be commenced by the undersigned more than one year after the action or omission upon which such controversy is based." Respondent Morgan also asserted a cross claim against Respondent Gregory Brooks for indemnification.

Respondent Gregory Brooks did not appear at the hearing. The panel was informed of the NASD's attempts to notify Mr. Brooks of the time, date and place of the hearing. The panel was also informed that Respondent Morgan failed to obtain service on Mr. Brooks of its Answer and cross claim. The panel determined to proceed with the hearing against Respondent Morgan and dismissed all claims against Mr. Brooks.

### RELIEF REQUESTED

Claimant requested an award in the amount of \$7,600.00 in compensatory damages; \$20,000.00 in punitive damages, interest and costs.

Respondents Morgan Gladstone and Company, Inc. requested that the Statement of Claim be dismissed or in the alternative that it be indemnified for any award rendered against it.

### AWARD

On Friday, June 15, 1990 in Chicago, Illinois during a hearing lasting two (2) sessions, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed on May 10, 1989 by Claimant Douglas Ressler by Richard Gladstone on behalf of Respondent Morgan Gladstone and Company, Inc.

The arbitration panel, having considered the pleadings, the testimony, and the evidence presented at the hearing, has decided in full and final resolution of the issues submitted for determination as follows:

1. Respondent Morgan Gladstone and Company, Inc. shall be and hereby is liable for and shall pay to Claimant Douglas Ressler the sum of \$7,600.00 (Seven Thousand Six Hundred Dollars and no Cents) as compensatory damages;

2. Respondent Morgan Gladstone and Company, Inc. shall be and hereby is liable for and shall pay to Claimant Douglas Ressler the sum of \$1,394.00 (One Thousand Three Hundred Ninety Four Dollars and no Cents) as interest on the above stated sum;

3. Claimant's request for punitive damages shall be and hereby is denied and dismissed;

4. Each party shall bear its own costs and expenses incurred in this matter not specifically enumerated herein; and,

5. Pursuant to Section 43(c) of the Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. shall refund as forum fees, the \$400.00 filing fee previously deposited with the NASD by the Claimant. Respondent Morgan Gladstone shall pay to the NASD the sum of \$800.00 as forum fees.

By the Panel

Dated: July 9, 1990

/s/ Ray J. Griebel  
Ray J. Griebel  
Presiding Chair

Dated: \_\_\_\_\_

/s/ \_\_\_\_\_  
Stephen C. Esposito, Esq.

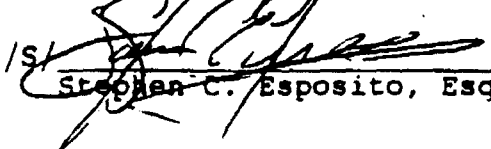
Dated: \_\_\_\_\_

/s/ \_\_\_\_\_  
Joy Pava Shulruff, Esq.

5. Pursuant to Section 43(c) of the Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. shall refund as forum fees, the \$400.00 filing fee previously deposited with the NASD by the Claimant. Respondent Morgan Gladstone shall pay to the NASD the sum of \$800.00 as forum fees.

By the Panel

Dated: \_\_\_\_\_ /S/ \_\_\_\_\_  
Ray J. Grzebielski  
Presiding Chair

Dated: July 10, 1990 /S/  \_\_\_\_\_  
Stephen C. Esposito, Esq.

Dated: \_\_\_\_\_ /S/ \_\_\_\_\_  
Joy Pava Shulruff, Esq.

5. Pursuant to Section 43(c) of the Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. shall refund as forum fees, the \$400.00 filing fee previously deposited with the NASD by the Claimant. Respondent Morgan Gladstone shall pay to the NASD the sum of \$800.00 as forum fees.

By the Panel

Dated: \_\_\_\_\_ /S/ \_\_\_\_\_  
Ray J. Grzebielski  
Presiding Chair

Dated: \_\_\_\_\_ /S/ \_\_\_\_\_  
Stephen C. Esposito, Esq.

Dated: June 29, 1990 /S/ Joy Pava Shulruff  
Joy Pava Shulruff, Esq.