

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

: In the Matter of the Arbitration Between :
: :
: Dr. Henry A. Singer :
: Rosina Simonelli Singer :
: Claimants : CASE# 89-01029
: vs. : AWARD
: :
: Fahnestock & Co., Inc. :
: Carmine Zottoli :
: Respondents :

Heard before:

Martin Jay Siegel, Esq.	Public Arbitrator
Cynthia H. Plishtin	Public Arbitrator
Domenick L. Natale, Esq.	Industry Arbitrator

REPRESENTATION

The Claimants were represented by William C. Bieluch, Jr., Esq. The Respondent Fahnestock & Co., Inc. was represented by Charles E. Padgett, Esq. and the Respondent Carmine Zottoli was represented by John Haven Chapman, Esq. of the law firm of Chapman, Moran, Hubbard & Zimmermann.

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on April 6, 1989 the Claimants Dr. Henry A. Singer and Rosina Simonelli Singer alleged the Respondents executed unauthorized trades of stock in their accounts; failed to keep them properly informed of the status of their accounts; failed to properly manage their accounts and failed to return their portfolio when requested to do so. The Respondent Fahnestock & Co., Inc. maintained there is no proof that any trades were not properly authorized and all transactions done for each of the accounts were clearly reflected on the monthly account statements. The Respondent Fahnestock & Co., Inc. asserted a cross-claim against Respondent Carmine Zottoli alleging that if there is a finding that he acted outside the scope of his employment authority then he should be responsible for all liability imposed. Respondent Carmine Zottoli maintained there were no unauthorized trades executed in Claimants' accounts as he always followed Claimants' instructions and never exercised any discretion in Claimants' accounts. Respondent Carmine Zottoli further maintained he never unlawfully ignored Claimants' alleged requests to return their portfolio. Respondent Carmine Zottoli in response to the cross-claim maintained he always acted within the scope of his authority.

RELIEF REQUESTED

Claimants requested damages of \$24,000.00. Respondent Fahnestock & Co., Inc. requested dismissal of claim and that all costs be charged against Claimants and further claimed over against Respondent Carmine Zottoli for any damages that may be imposed against it. Respondent Carmine Zottoli requested dismissal of all claims against him and that all costs, including legal expenses, transportation and lodging for Carmine Zottoli and witnesses, be charged against Claimants.

AWARD

On January 16, 1991, February 22 1991 and June 20, 1991 the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed by Claimants Dr. Henry A. Singer and Rosina Simonelli Singer on June 23, 1989 and by Respondent Fahnestock & Co., Inc. on March 6, 1990 and by Respondent Carmine Zottoli on January 16, 1991. The hearing was conducted at the National Association of Securities Dealers, Inc. located in New York City, NY and consisted of six (6) 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. The claims by the Claimants against all Respondents be and hereby are dismissed in all respects .
2. The parties shall each bear their respective costs, including attorneys' fees.

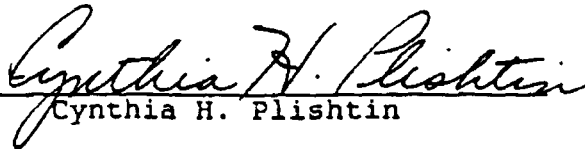
FORUM FEES

Pursuant to Section 43 of the Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. shall retain the \$200.00 filing fee previously deposited by the Claimants and the Respondent Fahnestock & Co., Inc. be and hereby is liable and shall pay to the Claimants the sum of \$200.00 to reimburse them for the filing fee paid. In addition, the Respondent Fahnestock & Co., Inc. be and hereby is liable and shall pay to the National Association of Securities Dealers, Inc. the sum of \$2,300.00 to represent forum fees.


ARBITRATOR SIGNATURES



Martin Jay Siegel, Esq.



Cynthia H. Plishtin



Domenick L. Natale, Esq.

Date of Decision: July 10 , 1991