

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

-----  
IN THE MATTER OF THE ARBITRATION BETWEEN :  
: Dorothy A. Petrushka :  
: Claimant :  
: Case #89-01393 :  
vs. :  
: AWARD :  
: Individual Securities Ltd., Robert :  
Catoggio and Dominick Investor Services :  
Corp. :  
: Respondents :  
-----

CASE SUMMARY

Claimant Dorothy A. Petrushka alleged that Respondents Individual Securities Ltd., Robert Catoggio and Dominick Investor Services Corp. (collectively, "Respondents") purchased and sold shares of American Aircraft Corp. and Gamogen, Inc. in her account without her knowledge or authorization. Further, the Claimant alleged the Respondents failed to sell units of Gamogen when instructed by the Claimant and failed to provide her with accurate monthly statements and trade confirmations.

Respondent Individual Securities contended that they always acted properly and should not be held responsible for Respondent Catoggio's actions. Respondent Catoggio contended the Claimant authorized the purchase of American Aircraft, and that because the Claimant refused to pay for this stock, securities in her account were liquidated to cover the purchase price. Respondent Catoggio further contended that all subsequent purchases and sales of stock in the Claimant's account were authorized by her. Respondent Dominick Investor Services contended that pursuant to its clearing agreement with Individual Securities, it was Individual Securities who was responsible for the acts and omissions of Respondent Catoggio and not Dominick. Further, Respondent Dominick contended that they timely mailed to the Claimant reports of transactions, and monthly statements.

RELIEF REQUESTED

Claimant Dorothy Petrushka requested actual damages of \$28,140.00, plus interest, costs and attorney's fees. Respondent Individual Securities, Ltd. requested dismissal of all claims made against it. Respondent Robert Catoggio requested dismissal of all claims made against him, plus costs and attorney's fees. Respondent Dominick Investor Services Corp. requested dismissal of all claims made against them.

AWARD

On February 9 and March 12, 1990, the undersigned arbitrator heard the controversy between the parties as set forth in submissions to arbitration signed by Claimant Dorothy A. Petrushka on April 25, 1989, by Respondent Individual Securities Ltd. on June 26, 1989, by Respondent Robert Catoggio on July 5, 1989, and by Respondent Dominick Investor Services Corp. on July 12, 1989. The hearings were conducted at the offices of the National Association of Securities Dealers, Inc. in New York City, New York and consisted of three (3) 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. Respondents Individual Securities Ltd. Robert Catoggio and Dominick Investor Services Corp. be and hereby are jointly and severally liable and shall pay to the Claimant Dorothy Petrushka the sum of Two Thousand Four Hundred Ten Dollars and Thirty One Cents (\$2,410.31), inclusive of interest.
2. Respondents Individual Securities Ltd. and Robert Catoggio be and hereby are jointly and severally liable and shall pay to the Claimant the additional sum of Five Thousand Five Hundred Ninety Five Dollars and Sixty Eight Cents (\$5,595.68), inclusive of interest.
3. All parties shall each bear their respective costs including attorney's fees.
4. Pursuant to Section 43 of the Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. shall retain the \$400.00 filing fee previously deposited by the Claimant. Respondents Individual Securities Ltd., Robert Catoggio and Dominick Investor Services Corp. be and hereby are jointly and severally liable and shall pay to the National Association of Securities Dealers, Inc. the sum of Eight Hundred Dollars and No Cents (\$800.00), as costs of the three (3) hearing sessions conducted in this matter. Additionally, the Respondents Individual Securities Ltd., Robert Catoggio and Dominick Investor Services Corp. be and hereby are jointly and severally liable and shall pay to the Claimant the sum of Four Hundred Dollars (\$400.00) to offset her filing fee.

CONCURRING ARBITRATOR

\_\_\_\_\_/s/\_\_\_\_\_  
JOSEPH J. ARATA

DATED: April 9th, 1990