

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between

ROGER J. and GENEVIEVE N. KEMPA

Claimant(s)

and

FIRST MONTAUK SECURITIES CORP. and
RON PEKARCHIK

Respondent(s)

Case No. 89-01500

CASE SUMMARY

In a statement of claim filed with the NASD on May 18, 1989, Claimants Roger J. Kempa and Genevieve M. Kempa alleged that Respondents failed to execute a sale of company warrants when directed to do so and was damaged when the warrants became worthless when the company filed for bankruptcy.

In an answer filed with the NASD by Respondents First Montauk Securities Corp. and Ron Pekarchik on July 19, 1989, the Respondents have denied the allegations of the Statement of Claim, and affirmatively allege that the losses were incurred not as a result of any wrongdoing, but resulted from problems with the company and misrepresentations made by the company to the public, the general market conditions, and possible miscommunications between Roger J. Kempa and Ron Pekarchik.

RELIEF REQUESTED

Claimant requested that an award be entered against Respondents in the amount of \$32,500.00 plus interest and attorney's fees.

Respondents request that the panel enter an award denying the relief sought by the Claimants.

AWARD

On June 13, 1990, in Chicago, Illinois, during a hearing lasting one session, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed on March 31, 1989 by Claimants Roger J. Kempa and Genevieve M. Kempa, on July 17, 1989 by William J. Kurinsky, Vice-President, on behalf of Respondent First Montauk Securities Corp., and on July 17, 1989 by Respondent Ronald B. Pekarchik.

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. The Statement of Claim is hereby dismissed and denied in its entirety.

2. The parties shall each bear their own respective costs including attorneys fees.

2. 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.

By the Panel

Dated: June 13, 1990 /S/ Michael J. Progar, Esq.
Presiding Chair

Dated: June 13, 1990 /S/ Sanford J. Prizant

Dated: June 13, 1990 /S/ Joseph O. Kostner, Esq.

Date Served: June 15, 1990