

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

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In the Matter of Arbitration Between

Herbert S. Cooper JTWROS

Mary E. Cooper

Claimants

vs.

Al Celente

Respondent

CASE #89-02088

AWARD

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CASE SUMMARY

Claimants, Herbert S. Cooper and Mary E. Cooper, thru their son, Neal Cooper, who handled their account, alleged that Respondent, Al Celente and his firm failed to live up to their verbal statements and printed ideals when Al Celente sold them Penny Stock (IBC, Metro & Pearl) using \$53,536.00 which represented 1/3 of their retirement fund which was not only unsuitable considering their age and financial background but also illegal since neither Mr. Celente nor his firm was registered to do business in Delaware in July of 1987 which is where the Coopers resided; Claimants alleged that they were never given any background information on the stocks even after repeated requests; that Mr. Celente suddenly left the firm with no warning to Claimants and from that time, despite repeated calls, Claimants could get no information regarding their investments, (which by that time had plummeted) shortly after which the firm F.D. Roberts went out of business.

Respondent, Al Celente maintained that the Claimants were fully informed of the inherent risks associated with Penny Stock but, Mr. Cooper said his parents could afford the risks. That he, Al Celente, never guaranteed profit and that Claimants were aware before opening the account that Respondent was not registered in Delaware, that he resigned from F.D. Roberts June 1, 1988 and was not aware or obligated to be aware of what went on with the Coopers account after he resigned.

RELIEF REQUESTED

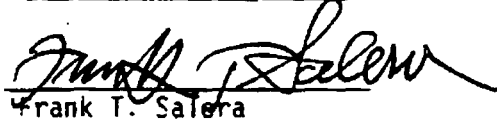
Claimants are requesting an award in the amount of \$43,863.00. Respondent, Al Celente is requesting that all claims against him be dismissed.

AWARD

On April 12, 1990, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed by the Claimants, on July 11, 1989 and by the Respondent on September 26, 1989. The hearing was held in Philadelphia, PA and consisted of two 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. That Respondent Al Celente shall pay to the Claimants the sum of \$5,000.00
2. The parties shall each bear their respective costs, including attorneys' fees.
3. 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.
4. Pursuant to Section 43 of the Code of Arbitration Procedure, Respondent is further assessed \$400.00 in forum costs, which shall be made payable to the National Association of Securities Dealers, Inc.

ARBITRATOR CONCURRING


Frank T. Salera

Dated: April 27, 1990