

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between/Among :
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:
Judy Kaszas : Case #90-00256
:
Claimant :
: Award
:
vs. :
:
:
Rosenkrantz Lyon & Ross :
and :
John Halsey :
Respondents :

CASE SUMMARY

In a claim filed by the Claimant on January 23, 1990, Claimant Judy Kaszas ("Claimant") alleged that Respondent Rosenkrantz Lyon & Ross ("Rosenkrantz") and John Halsey ("Halsey") placed her in unsuitable investments. Claimant alleged that Respondents induced her into purchasing speculative issues in which Rosenkrantz made a market in. Claimant alleged that Halsey made representations in order to induce her to purchase unsuitable stocks. Claimant alleged that Respondent Halsey failed to keep her apprised of the status of her investments and avoided her inquiries.

Rosenkrantz maintained that Claimant decided to follow the investment advise of her broker. Rosenkrantz maintained that the Claimant had an obligation to review her account statements, but she failed to do so. Respondent Halsey maintained that Claimant solicited Halsey to be her broker and that he did not solicit her to transfer her account to him. Halsey maintained that he reviewed the Claimant's background to determine whether the investments he recommended to Claimant were suitable. Halsey maintained that the investments he recommended to the Claimant were suitable at the time the recommendations were made.

RELIEF REQUESTED

Claimant requested damages in her Statement of Claim amounting to \$15,383.00; and at the hearing Claimant amended her damage request to the amount of \$8,000.00.

Respondents requested that Claimant's claim be denied in its entirety.

Respondent Rosenkrantz requested that the Arbitrator waive the postponement fee of \$400.00 and return the fee, which was posted, to Rosenkrantz.

AWARD

On November 7, 1990, the undersigned arbitrator heard the controversy between the parties as set forth in submissions to arbitration signed by the Claimant on January 18, 1990 and by the Respondent Rosenkrantz on March 22, 1990. The hearing was held in New York City and consisted of one (1) hearing session. The arbitrator 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 Halsey and Respondent Rosenkrantz are jointly and severally liable to the Claimant and shall pay to the Claimant the sum of Three Thousand Nine Hundred and Ten Dollars and No Cents (\$3,910.00); no interest is awarded on this amount;
2. That the NASD, Inc. shall retain the postponement fee of \$400.00 deposited by Respondent Rosenkrantz;
3. The parties shall each bear their respective costs, including attorneys' 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 as cost of the hearing session held on November 7, 1990.

ARBITRATOR CONCURRING

/s/
William A. DeLorenzo