

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Grace G. Reitano

Claimant(s)

vs.

Pittock Financial Corp.,
Power Securities and
RFC Clearing and Paying Agent

Respondent(s)

**NOTICE OF
ARBITRATION
AWARD
90-00316**

CASE SUMMARY

Claimant(s) Grace G. Reitano alleged that Respondent(s) Pittock Financial Corp., Power Securities and RFC Clearing and Paying Agent sold Claimant securities at artificial prices unrelated to actual market value. Respondent RAF Financial Corp. submitted a motion to dismiss the claim on the grounds that a clearing firm has no responsibility for the alleged wrongdoing of a broker dealer with which it has a fully disclosed correspondent agreement, and maintains that Claimant's claim stems from the activities of Respondent Power Securities Corp. Respondent Power Securities Corp. failed to respond.

RELIEF REQUESTED

Claimant(s) Grace G. Reitano requested damages of Four Thousand Nine Hundred Twenty Nine Dollars and No Cents (\$4,929.00). Respondent(s) requested dismissal of claim and costs.

AWARD

Pursuant to Section 13 of the NASD, Inc. Code of Arbitration Procedure ("Simplified Arbitration") a single arbitrator, Patrick J. Halter, was selected to review and determine the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimant(s) on January 16, 1990 and by Respondent RAF Financial Corp. on March 12, 1990, and not by the Respondent Power Securities Corp. as required by Section 12(a) of the NASD, Inc. Code of Arbitration Procedure, respectively;

And, that the Arbitrator, having considered the proofs of the Parties, including any additional documentary submissions of the Claimant(s) and the Respondent(s) has decided and determined in full and final resolution of the issue submitted for determination as follows:

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That the Respondent Power Securities Corp. is solely liable and shall pay to the Claimant the sum of Four Thousand Nine Hundred Twenty Nine Dollars and Eighty Cents (\$4,929.80), and;

That the claim of the Claimant against Respondents Pittock Financial Corp. and RFC Clearing and Paying Agent is hereby dismissed in all respects.

The parties shall each bear their respective costs including attorney's fees.

The \$100.00 filing fee previously deposited with the NASD, Inc. by the Claimant(s) shall be retained by the NASD as costs of this proceeding.

August 9, 1990