

Arbitration

©

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

National Association of
Securities Dealers, Inc.
One East Broward Boulevard
Suite 1000
Ft. Lauderdale, Florida 33301
(305) 522-7391

In the Matter of the Arbitration Between

Name of Claimant(s)

Sidney & Audrey Goldstein

CASE #90-00976

Name of Respondent(s)

Robert Sandusky

Heard before the Arbitrator:

Howard E. Kurzweil, Esq.

CASE SUMMARY

This claim was filed with the National Association of Securities Dealers, Inc. (NASD) on April 3, 1990. The hearing was conducted in Fort Lauderdale, Florida on December 17, 1990, with a total of one session.

Claimants, Sidney and Audrey Goldstein ("the Goldsteins"), alleged that Respondents, First Interregional Equity Corp. ("Interregional") and Robert Sandusky ("Sandusky"), were liable for: misrepresenting the safety of a certain income fund and for recommending investing in this fund, which recommendation was unsuitable in light of Claimants' investment objectives.

Respondent, Interregional, alleged that: no guarantees were made to Claimants; the investment advice was conservative; Claimants were aware of, and assumed, the risks involved; and Claimants did not purchase the investment from Respondent but directly from the fund and, therefore, Claimants were not customers of Interregional for purposes of this transaction and there is no jurisdiction for this matter to be arbitrated before the NASD.

Respondent, Sandusky, failed to file an Answer and did not appear at the hearing to defend.

Claimants, in response to a Motion to Dismiss filed by Interregional alleged that they purchased the investment from Interregional.

RELIEF REQUESTED

Claimants requested damages in the amount of \$11,700.00.
Respondent, Interregional, requested dismissal of the claim plus costs.

Respondent, Sandusky, failed to file an Answer.

AWARD

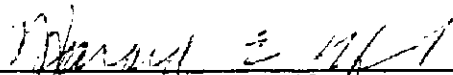
On December 17, 1990, the undersigned arbitrator heard the controversy between the parties as set forth in submissions to arbitration signed by Claimants on April 10, 1990, and by Respondent, Interregional, on June 14, 1990 and not signed by Respondent, Sandusky, as required pursuant to Section 12 of the NASD Code of Arbitration Procedure ("Code"), Respondent, Sandusky, being a person associated with an NASD member firm, First Interregional Equity Corp., at the time this controversy arose. Having considered the pleadings, the testimony, and the evidence presented at the hearing, and Respondent, Sandusky, neither appearing at the hearing nor seeking any adjournment thereof, notwithstanding his knowledge of this arbitration as evidenced in the record of proceedings, this arbitrator has determined in full and final resolution of the issues submitted for determination as follows:

1. Respondent, Interregional, is found not liable and, therefore, all claims against it are hereby dismissed.
2. Respondent, Sandusky, is found liable and shall pay to the Claimants the amount of Five Thousand Eighty and 00/100 (\$5,080.00) Dollars.
3. Respondent, Interregional's request for costs is denied.
4. Pursuant to Section 43 of the Code of Arbitration Procedure, the Arbitrator has assessed forum fees in the amount of Two Hundred and 00/100 (\$200.00) Dollars (1 session x \$200.00 per session). Respondent, Sandusky, is hereby assessed Two Hundred and 00/100 (\$200.00) Dollars payable directly to the Claimants as a return of their filing fee. The NASD shall retain the Two Hundred and 00/100 (\$200.00) Dollars previously deposited by the Claimants in full satisfaction of such forum fees.
5. The parties shall each bear all other costs and expenses incurred by them in connection with this proceeding, including attorney's fees.

OTHER ISSUES

None.

ARBITRATOR CONCURRING


Howard E. Kurzweil, Esq.

Dated: January 7, 1991