

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between :
Ann and Wayne Steinart :
Agnes C. Hayman :
Claimants :
vs. :
Allied Capital Group :
Philip Jay Cooper :
Respondents :

CASE #90-01464
AWARD

CASE SUMMARY

Pro Se Claimants Ann and Wayne Steinart and Agnes C. Hayman, in a claim filed with the National Association of Securities Dealers, Inc. on May 23, 1990, alleged that Respondent Philip Jay Cooper, a registered representative at Allied Capital Group executed unauthorized trades in their customer accounts, namely the sale of ten thousand shares of Vision Tech. in each account and the purchase of seven thousand-two hundred shares of M & C Systems, Inc. creating a debit balance in both accounts.

Pro Se Respondent, Philip Jay Cooper, maintained that Ann Steinart and Agnes Hayman gave him firm orders to sell their ten thousand shares of Vision Technology stock and to purchase seven thousand-two hundred shares of M & C Systems with the proceeds of the sale of Vision Tech. He concludes that Claimants now have misgivings as to their decisions regarding their investments.

Claimant reply that Mr. Cooper never spoke to Agnes Hayman directly nor did he ever contact Claimants to inform them that Vision Technology was decreasing in value and that the knowledge of the unauthorized trades occurred when they received statements from Allied Capital indicating the sales and purchases. Ms. Steinart states that when she spoke to Mr. Cooper he said that he had decided to make the sale and subsequent purchase and that she told him he had not been given permission to do this.

Respondent Allied Capital Group did not answer the Statement of Claim originally sent to them on August 29, 1990. A second copy of the Claim was served on Allied Capital, Inc. on June 6, 1991. Service was effected on June 12, 1991 as evidenced by the return of a signed, dated certified mail green card. The Statement of Claim

was reserved on Allied Capital Group, Inc. on July 3, 1991. Service was effected on July 10, 1991 as evidenced by the signed, dated return of a certified mail green card. Allied Capital Group, Inc. failed to Answer the Statement of Claim.

RELIEF REQUESTED

Claimants request the return of their original Vision Technology stock or Three Thousand Six Hundred Eighty Dollars and No Cents (\$3,680.00) in damages for both accounts totalling Seven Thousand Three Hundred Sixty Dollars and No Cents (\$7,360.00).

AWARD

Pursuant to Section 13 of the National Association of Securities Dealers, Inc. Code of Arbitration Procedure, a single Public Arbitrator, Marlene Sine, was selected to review and determine the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimants on June 18, 1990 and by the Respondent Philip Jay Cooper on October 9, 1990 but not by Respondent Allied Capital Group, Inc. as required by Section 13(d) of the Code of Arbitration Procedure;

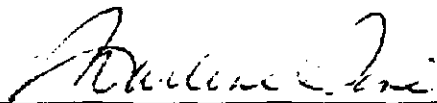
And, that the Arbitrator, having considered the proof of the Parties, has decided and determined in full and final resolution of the issues submitted for determination as follows:

1. That the Respondents Allied Capital Group, Inc. and Philip Jay Cooper are jointly and severally liable and shall pay to the Claimants Ann and Wayne Steinart the sum of Three Thousand Six Hundred Eighty Dollars (\$3,680).
2. That the Respondents Allied Capital Group, Inc. and Philip Jay Cooper are jointly and severally liable and shall pay to the Claimant Agnes C. Hayman the sum of Three Thousand Six Hundred Eighty Dollars (\$3,680).
3. A Two Hundred Fifty Dollar (\$250) forum fee is assessed jointly and severally against Respondents Allied Capital Group, Inc. and Philip Jay Cooper who shall pay \$250 to the NASD, Inc.
4. The Two Hundred Dollars (\$200) filing fee previously deposited with the National Association of Securities Dealers, Inc. by the

Claimants shall be retained by the NASD, Inc. and is assessed jointly and severally against the Respondents Allied Capital Group, Inc. and Philip Jay Cooper who shall pay Two Hundred Dollars (\$200) to Claimants Ann and Wayne Steinart and Agnes C. Hayman.

AFFIRMATION

I, **MARLENE SINE**, do hereby affirm upon my oath as arbitrator that I am the individual described herein and who executed this instrument, which is my oath and award.



Signature of Arbitrator

EXECUTED &

DATED: 9/23/91