

## N.A.S.D. AWARD

## NATIONAL ASSOCIATION OF SECURITIES DEALERS

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In the Matter of the Arbitration Between

Name of Claimant

Daniel J. Cruoglio

vs.

Case #  
90-03172Name of Respondents

William Hayde  
Anthony Ferruzzi  
Anthony J. DeStefano  
Anthony J. Stoisch

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REPRESENTATION

For Claimant: Philip Leone, Esq. of McKenna, Liska &amp; Leone.

For Respondent, William Hayde: Gerald A. Adler, Esq.

For Respondent, Anthony Ferruzzi: Pro se.

For Respondent, Anthony J. DeStefano: Charles P. DeMartin, Esq.

For Respondent, Anthony J. Stoisch: Pro se.

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CASE INFORMATION

Statement of Claim filed: October 31, 1990.

Claimant's Submission Agreement signed on: October 02, 1990.

Statement of Answer filed by Respondent, William Hayde, on: April 18, 1991.

Respondent's Submission Agreement signed on: April 17, 1991.

Statement of Answer filed by Respondent, Anthony Ferruzzi, on: April 17, 1991.

Respondent's Submission Agreement signed on: April 15, 1991.

Statement of Answer filed by Respondent, Anthony J. DeStefano, on: April 30, 1991.

Respondent's Submission Agreement signed on: April 23, 1991.

Statement of Answer filed by Respondent, Anthony J. Stoisch, on: April 17, 1991.

Respondent's Submission Agreement signed on: April 15, 1991.

HEARING INFORMATION

Hearing Date/Session: December 19, 1991 - One session.

Hearing Location: New York, New York.

CASE SUMMARY

Claimant alleges that as a result of Respondent's, William Hayde, an account executive with Investors Center, Inc., fraudulent misrepresentations, manipulative and deceptive practices, Claimant purchased securities such as All Quotes and sustained a loss. Claimant further contends that Respondents, Ferruzzi, DeStefano and Stoisch, are liable on the theory that they were officers of Investors Center, Inc. and were responsible for managing its day to day affairs.

Respondent, William Hayde, denies the allegations of wrongdoing. Respondent asserts four affirmative defenses which includes the fact that Claimant had prior investment experience in speculative stocks, that Claimant approved, authorized and/or ratified the transactions complained of, that Claimant is estopped from recovery and that Claimant fails to state facts sufficient to constitute a cause of action.

Respondent, Anthony Ferruzzi, denies liability. Respondent contends that as an officer of Investors Center, Inc., he cannot be held liable. Respondent alleges that he is not aware of any transactions that transpired between Claimant and Hayde.

Respondent, Anthony Stoisch, denies knowledge of the allegations. Respondent alleges that the only reason he was named in this claim is because he was President of Investors Center and argues that there is no legal basis to name him in this claim.

RELIEF REQUESTED

Claimant requests an award of \$15,000.00 plus interest.

Respondents request that the Statement of Claim be denied in its entirety. Alternatively, Respondent, DeStefano, requests an award for indemnification against his co-respondents should the panel find in favor of Claimant.

OTHER ISSUES CONSIDERED & DECIDED

When the hearing was scheduled to start, Claimant asked that the hearing be delayed so that he could conclude settlement discussion with Respondent, Anthony J. DeStefano. This arbitrator allowed the delay and the parties settled their dispute. Said Respondent did not appear at the hearing to

present evidence on his Cross Claim.

AWARD

After considering the pleadings, the testimony and the evidence presented at the hearing, the undersigned arbitrator has decided in full and final resolution of the issues submitted for determination as follows:

1. All claims asserted by the Claimant against the Respondents are denied in their entirety as Claimant failed to prove his claim;
2. The Cross Claim is denied.

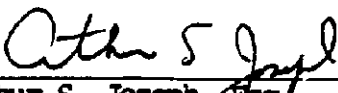
FORUM FEES

Pursuant to Section 43(c) of the Code of Arbitration Procedure, the following Forum Fees are assessed and fees paid shall be applied to the fees assessed.

1. The NASD has received and shall retain the \$100.00 non-refundable filing fee paid by the Claimant;
2. The NASD has received and shall retain the \$300.00 hearing session deposit paid by the Claimant;
3. Claimant is assessed a non-refundable filing fee of \$100.00;
4. Respondent, Anthony J. DeStephano, is assessed a non-refundable filing fee of \$500.00 in connection with his Cross Claim;
5. Forum fees in the amount of \$300.00 for one hearing session is also assessed and shall be borne equally by all parties. Said assessment shall be satisfied when all Respondents reimburses Claimant \$60.00 each.

Fees are payable to the National Association of Securities Dealers, Inc.

Arbitrator's Signature

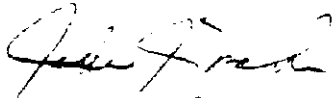
  
Arthur S. Joseph, Esq.  
Sole Arbitrator - Public

Date of Decision: January 10, 1992

STATE OF NEW YORK  
COUNTY OF NEW YORK

S.S.:

On this 6 of January, 1992, before me personally appeared Arthur S. Joseph, Esq. known and known to me to be the individual described in and who executed the foregoing instrument and he duly acknowledged to me that he executed the same.



JOHN J. MILLER  
Notary Public for the State of New York  
My Comm. Expires Oct 31 1993  
Qualified in North County  
Commission Expires Oct 31 1993

