

NATIONAL ASSOCIATION OF SECURITIES DEALERS

National Association of
Securities Dealers, Inc.
NASD Financial Center
33 Whitehall Street
New York, N.Y. 10004
FAX (212) 858-4389

In the Matter of the Arbitration Between

Name of Claimant

Donald A. Meis

90-03214

Name of Respondents

Ross Mandell

Neil Sullivan

REPRESENTATION

For Claimant: R. Jerome Jabbour, Esq. of Jabbour & Burns.

For Respondent Ross Mandell: Robert C. Boneberg, Esq. of Camby Karlinsky & Stein.

Respondent Neil C. Sullivan appeared pro se.

CASE INFORMATION

Statement of Claim filed: November 13, 1990.

Claimant Donald A. Meis's ("Claimant") Submission Agreement signed on: November 3, 1990.

Statement of Answer filed by Respondent Ross Mandell ("Mandell") on: April 8, 1991.

Mandell's Submission Agreement signed on: June 26, 1991.

Statement of Answer filed by Respondent Neil C. Sullivan ("Sullivan") on: June 20, 1991.

Respondent Sullivan did not submit an executed Submission Agreement. Sullivan did submit a Statement of Answer and attended all hearings and testified on his own behalf.

HEARING INFORMATION

Hearing Dates/Sessions: October 22, 1991 - one session
December 3, 1991 - two sessions

Hearing Location: NASD Office - New York, New York

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CASE SUMMARY

Claimant alleged that through his dealings with Scott Lask ("Lask"), a registered representative at Rodman and Renshaw who worked with the Respondents, Claimant began to deal directly with Ross Mandell and Neil Sullivan. Claimant alleged that Respondents Mandell and Sullivan intentionally made material misrepresentations to the Claimant in order to induce the Claimant to trade with them. Claimant alleged Mandell made certain assurances and guarantees to Claimant so that Claimant would maintain his account with Respondents. Claimant alleged that Mandell guaranteed to Claimant the performance of Wainoco Oil Corp. Stock ("Wainoco") and that based on Mandell's guarantees, Claimant purchased 3000 shares. Claimant alleged that Mandell assured Claimant that if Claimant's Wainoco stock fell 1/4 to 1/2, he, Mandell, would sell Claimant out immediately. Claimant alleged that Mandell failed to sell him out even when the stock fell below 1/4 and 1/2. Claimant alleged Mandell had not only made an agreement to sell Claimant's Wainoco shares if they fell but that Mandell assured Claimant that he would have his trader, Sullivan, monitor Claimant's stock. Claimant alleged that Mandell never communicated this agreement to Sullivan. Claimant alleged that Mandell failed to execute his order to sell Wainoco and asserted that Mandell pressured Claimant into holding the stock. Claimant alleged that Sullivan induced Claimant to short sell 1000 shares of Federal National Marketing Association ("FNMA") warrants and then later induced Claimant to purchase 1000 FNMA warrants. Claimant alleged that Sullivan encouraged Claimant to make these trades so that Sullivan could benefit from the commissions.

Respondent Mandell maintained that he made no material misrepresentations to the Claimant, that all securities recommended to Claimant were suitable and that he did not engage in any unauthorized or wrongful activity. Mandell maintained that all orders were discussed with Claimant prior to being placed and were specifically authorized by Claimant. Mandell maintained that he properly executed all orders entered by Claimant. Mandell maintained he never guaranteed the performance of Wainoco to the Claimant. Mandell maintained that there is no merit to Claimant's claim and denied each and every allegation.

Sullivan maintained that he handled Claimant's account for a 60 day period and that during that time he made three recommendations to the Claimant. Sullivan maintained that during this period he carefully monitored Claimant's account and informed Claimant as to what he, Sullivan, was doing with his other clients in the same investments. Sullivan maintained that whether or not to execute a trade was decided by Claimant. Sullivan maintained he properly handled Claimant's account at all times.

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RELIEF REQUESTED

Claimant requested: Compensatory damages in the amount of \$32,960.52.

Respondent Mandell requested: That Claimant's claim be denied in its entirety and that costs and attorneys' fees be assessed against Claimant.

Respondent Sullivan requested: That Claimant claim be denied in its entirety.

OTHER ISSUES CONSIDERED & DECIDED

The parties have agreed that the Award in this matter may be executed in counterpart copies or that a handwritten, signed Award may be entered. In either case, the parties have agreed to receive conformed copies of the Award while the original(s) remain on file with the NASD.

AWARD

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

1. That pursuant to Section 12(a) of the NASD Code of Arbitration Procedure and pursuant to the by-laws of the NASD, the arbitrators determined that Sullivan was required to submit to this arbitration, notwithstanding his failure to submit an executed Submission Agreement. Therefore, Sullivan is bound by this Panel's rulings and determinations.
2. That Claimant's claim is denied in its entirety.
3. That all parties shall bear their costs, including attorneys' fees.

FORUM FEES

Pursuant to Section 43(c) of the Code of Arbitration Procedure, forum fees are assessed against the Claimant.

3 sessions X \$400 = \$1200 minus hearing session deposit of 400 = net \$800 is due and shall be paid by the Claimant.

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

Concurring Arbitrator's Signature
Name

Melvin Lyon
Melvin Lyon

Public/Industry

Public Arbitrator

Date of Decision: January 7, 1992

Concurring Arbitrator's Signature

Name



Brian Amery, Esq. - Chairman

Public/Industry

Public Arbitrator

Date of Decision: January 7, 1992

Concurring Arbitrator's Signature
Name .

Alvin Gallant
Alvin Gallant

Public/Industry

Industry Arbitrator

Date of Decision: January 7, 1992