

N.A.S.D. Amended Award

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Carl Lacho and
Salvatore Ruggiero

vs.

NASD Arbitration
No. 91-00186

Michael Stein

REPRESENTATION

For Claimants: Carl Lacho & Salvatore Ruggiero, Pro per

For Respondent: Michael Stein, Pro per

CASE INFORMATION

Statement of Claim filed: January 16, 1991

Claimants' Submission Agreement signed on: January 11, 1990

Statement of Answer filed by Respondent: May 8, 1991

Respondent's Submission Agreement signed on: May 3, 1991

HEARING INFORMATION

Pre-Hearing Conference(s) : None

Hearing Date(s)/Session(s): December 13, 1991 / one session

Hearing Location: Las Vegas, Nevada

CASE SUMMARY

Claimants alleged that they purchased 16000 shares of "Max Oil", acting upon the recommendation of Mr. Stein. They alleged that 1) the stock was not lawfully to be sold to residents of the state of Nevada, and 2) they were made false promises and otherwise seriously misled by Michael Stein.

Respondent alleged that at no time did he misrepresent to Claimants the facts surrounding the purchase of Maxoil or even attempt to do business with them once they moved to Nevada.

RELIEF REQUESTED

Claimants requested that the money they paid for this stock, \$6000, be refunded to them.

OTHER ISSUES CONSIDERED AND DECIDED

Respondent requested that the hearing situs be changed from Las Vegas to New the New York region. This request was opposed by the Claimants. The request was denied by the arbitrator.

Respondent Michael Stein, duly notified of the arbitration and hearing dates, and subject to the jurisdiction of the National Association of Securities Dealers, Inc. pursuant to section 12 of the Code of Arbitration Procedure did not appear at the arbitration hearing.

The parties have agreed that the Amended Award in this matter may be executed in counterpart copies or that a handwritten, signed Amended Award may be entered. In either case, the parties have agreed to receive conformed copies of the Amended 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. Respondent Michael Stein is liable for and shall pay to Claimants the sum of Six Thousand Dollars (\$6,000), plus interest in the amount of \$1700.
2. As a prerequisite to the liability under paragraph 1, above, Claimants are required to tender their entire ownership interest in Max Oil to Respondent Stein.
3. Upon tender of ownership interests in Max Oil pursuant to paragraph 2, above, Respondent Stein shall be liable for and shall pay to Claimants interest, which shall accrue on the principal sum of \$6000 at the rate of 12% per annum beginning from the date tender is made until the award is paid.
4. Respondent Michael Stein is liable for reimbursing Claimants their costs in the amount of Fifty Dollars and Forty Six Cents (\$50.46).

NONREFUNDABLE FEE

Pursuant to Section 43c of the Code of Arbitration Procedure, the NASD shall retain the \$75 nonrefundable filing fee and the \$200 hearing session deposit previously paid by the Claimants. Respondent is liable for reimbursing Claimants said \$275.00.

ARBITRATION PANEL

Name
Douglas Edwards

Public/Industry
Public Chairperson

Concurring Arbitrators' Signatures

Douglas M. Edwards
Douglas Edwards

Date of Decision: Feb 24, 1992

Served March 2, 1992