

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

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In the Matter of the Arbitration Between :

George Skaperdas :

Claimant :

vs. :

CASE #91-00417  
AWARD

Ladenburg, Thalmann & Co., Inc. :

Charles Colchamiro :

Respondents :  
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CASE SUMMARY

George Skaperdas, Pro Se, in a claim filed with the National Association of Securities Dealers, Inc. on February 7, 1991, alleged that his broker at Ladenburg, Thalmann & Co., Inc. Charles Colchamiro, negligently misrepresented the value and potential of ZZZZ Best Co. stock which he recommended. Claimant continues that Ladenburg, Thalmann Had a duty to research a company before pushing its shares and that he had a right to expect that the business was real, not just a fraudulent deception, as with ZZZZ Best Co.

Respondents, in a joint Statement of Answer submitted without signature by its attorney Norman S. Lawi, New York, NY, maintained "on information and belief" that they performed the necessary due diligence in investigating and researching the business and operations of ZZZZ Best Co. and were not negligent in their duties to perform such work. They continue that they had no legal duty or obligation to guarantee recommendations.

Respondents amended their Answer to include a Wall Street Journal article concerning the former President of ZZZZ Best Co., Barry Minkow.

Claimant submitted a reply to the Answer dated April 24, 1991.

RELIEF REQUESTED

Claimant requests Six Thousand Eight Hundred Ninety-One Dollars and Twenty-Five Cents (\$6,891.25) in damages.

Respondents request dismissal of the Claim in its entirety and costs of this proceeding.

AWARD

Pursuant to Section 13 of the National Association of Securities Dealers, Inc. Code of Arbitration Procedure, a single Public Arbitrator, George Brandon, Esq., was selected to review and determine the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimant on January 31, 1991 and by the Respondents on March 19, 1991.

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, Charles Colchamiro and Ladenburg, Thalmann & Co., Inc., are jointly and severally liable and shall pay to the Claimant, George Skaperdas, the sum of Six Thousand Eight Hundred Ninety-One Dollars and Twenty-Five Cents (\$6,891.25).
2. The parties shall bear their respective costs including attorney's fees.
3. The Seventy-Five Dollars and No Cents (\$75.00) filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimant shall be retained by the NASD, Inc.

AFFIRMATION

I, GEORGE BRANDON, ESQ., 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.

  
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Signature of Arbitrator

EXECUTED &

DATED: 9/16/91