

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between

Carl Bakal

Claimant

VS.

Elliot Nadel

Respondent

**CASE #91-01646**  
**AWARD**

## CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on May 29, 1991, Claimant Carl Bakal, who appeared Pro Se, alleged that Respondent, Elliot Nadel, while employed by Moore & Schley, misled him into purchasing Class A Warrants of Galagraph, Ltd., which was unsuitable for his investment objectives. The Claimant further alleged that he did not receive any information regarding this investment, and that the security dropped half it's value within 2 weeks of the purchase, and is now virtually worthless.

Respondent, Elliot Nadel, who appeared Pro Se, maintained that this was not an unsuitable investment considering the Claimants' financial position, and that the Claimant chose to invest in Galagraph after reviewing information the Respondent provided him with, not because of recommendations made to him. Respondent, Elliot Nadel also provided an affidavit from his assistant, Gregory McLarty, in which Mr. McLarty maintained that the Claimant knew this was a speculative investment and that the Claimant never seemed upset when they spoke on the telephone.

On March 25, 1992, Respondent Elliot Nadel submitted an additional exhibit in support of his answer, reflecting the BID-ASK for the warrant in question.

RELIEF REQUESTED

Claimant, Carl Bakal requested \$5,253.00 in actual damages.

Respondent, Elliot Nadel requested the claims of the Claimant be dismissed.

AWARD

Pursuant to Section 13 of the National Association of Securities Dealers, Inc. Code of Arbitration Procedure, a single Public Arbitrator, Gary Landau, 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 May 24, 1991 and by the Respondent on September 11, 1991.

And, 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. The claims of Claimant Carl Bakal against Respondent, Elliot Nadel are dismissed in their entirety.
2. The parties shall bear their respective costs.
3. The \$150.00 filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimant shall be retained by the NASD, Inc.

AFFIRMATION

I, **GARY LANDAU, 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

DATE OF DECISION: April 23, 1992