

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

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In the Matter of the Arbitration Between

Name of Claimant(s)

John Glazik

91-01741

Name of Respondent(s)

Michael J. Markowski  
Carlo Kyprios  
vs.  
Global America, Inc.

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REPRESENTATION

For Claimant: John Glazik appeared pro se.

For Respondent Michael Markowski: Richard J. Blumberg, Esq. of McLaughlin & Stern, Ballen and Ballen in New York City.

For Respondent Carlo Kyprios: Philip Raible, Esq. of Squadron, Ellenoff, Plesent & Lehrer in New York City.

Respondent Global America, Inc. did not appear in the proceeding.

CASE INFORMATION

Statement of Claim filed: June 7, 1991.

Claimant's Submission Agreement signed on: May 31, 1991.

Submission Agreement of Michael Markowski signed on: November 18, 1991.

Respondent Global America, Inc. did not sign a Submission Agreement as required by Sections 12 and 25 of the Code of Arbitration Procedure despite due notice being given.

Respondent Carlo Kyprios did not sign a Submission Agreement as required by Sections 12 and 25 of the Code of Arbitration Procedure despite due notice being given.

### HEARING INFORMATION

Hearing Date/Sessions: May 29, 1992/two sessions

Hearing Location: Atlanta, Georgia

### CASE SUMMARY

Claimant John Glazik alleged that Respondents Michael J. Markowski and Carlo Kyprios engaged in practices which were designed to artificially inflate the prices of stock issues such as NYCOM Information Systems and Mountaintop Corporation to customers who were looking for long term growth opportunities. Claimant alleged that this action resulted in large profits for the firm and brokers as they unloaded large inventories of cheap stock. Claimant further alleged that he was continually given glowing reports regarding the progress of the companies that Global America represented and was dissuaded from selling any stocks despite their decline. Respondent Michael Markowski maintained that the Claimant did not set forth any facts which support his allegations that he was defrauded, but if he was defrauded, it was by his salesman, Carlo Kyprios. Respondent Carlo Kyprios denied any liability to the Claimant and asserted that the Claimant's account was properly handled by him at all times and that any damages sustained by the Claimant were caused by acts of persons other than himself.

### RELIEF REQUESTED

Claimant requested actual damages of \$17,450.62 plus unspecified punitive damages. Respondent Michael Markowski requested that the claims of the Claimant be dismissed and that he be awarded attorneys' fees and costs. Respondent Carlo Kyprios requested that the claims of the Claimant be dismissed and asserted a cross claim against Respondent Michael Markowski and a third party claim against Global America, Inc. for indemnification together with forum costs.

### OTHER ISSUES CONSIDERED & DECIDED

- (1) The parties have agreed that a handwritten, signed Award may be entered. In this case, the parties have agreed to receive a conformed copy of the Award while the original remains on file with the NASD.
- (2) Claimant John Glazik asserted a Motion to Preclude the Statement of Answer of Respondent Michael Markowski pursuant to Section 25(b) (2) of the Code of Arbitration Procedure.
- (3) Respondent Global America, Inc. did not file a Statement of Answer to the Statement of Claim and did not appear at the hearing on May 29, 1992 in Atlanta, Georgia despite due notice being given on August 9, 1991 via first class mail, October 17, 1991 via certified mail, December 20, 1992 via certified mail, and April 10,

1992 via first class mail through the U.S. Postal Service. None of the letters were returned to the NASD by the Postal Service as undeliverable. Pursuant to Section 29 of the Code of Arbitration Procedure, the arbitrator proceeded with the arbitration of this controversy.

**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:

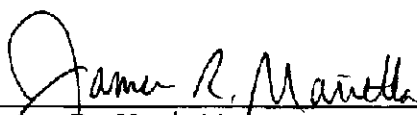
1. The Respondent Michael Markowski be and hereby is liable and shall pay to the Claimant the sum of Seventeen Thousand Four Hundred Fifty One Dollars and No Cents (\$17,451.00).
2. The Claimant's claim for punitive damages is denied.
3. The third party Respondent Global America, Inc. be and hereby is liable and shall pay to the Respondent Michael Markowski the sum of \$8,725.50 on the Respondent Michael Markowski's third party claim.
4. The Motion to Preclude of the Claimant is denied.
5. Each party shall bear their respective costs, including attorneys' fees.

**FORUM FEES**

Pursuant to Section 43c of the Code of Arbitration Procedure, the following forum fees are assessed:

2 sessions X \$300.00 = \$600.00 minus hearing session deposit  
of \$300.00 = \$300.00 net due.

The Respondent Michael Markowski be and hereby is liable and shall pay to the NASD the sum of \$300.00 to represent forum fees and shall pay to the Claimant the sum of \$400.00 to reimburse him his fees paid. The NASD shall retain the \$100.00 claim filing fee previously deposited by the Claimant.

  
James R. Marietta  
Public Arbitrator

Date of Decision: September 10, 1992