

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of Arbitration Between :
: Morgan Gladstone & Co., Inc. :
: Claimant : CASE #91-02261
: : AWARD
vs. :
: Southport Capital and Curtis Ivey :
: Respondents :

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on July 24, 1991, Claimant, Morgan Gladstone & Co., Inc. by and through its outside counsel, Charles H. Brodzi, Esq., Sole Practitioner, Fort Lauderdale, FL, alleged that Respondent Southport Capital, by and through its President, Curtis Ivey, opened an account with Claimant on or about April 14, 1989 and entered into a customer agreement. Claimant further alleged that they bought and sold securities traded in various exchanges on the instructions of Respondent, Curtis Ivey. Claimant contended that in August, 1990 Respondents account had a debit balance which they have since failed and refused to make payment in accordance with the terms of their customer agreement.

Respondent, Southport Capital and Curtis Ivey failed to file an Answer, to the Statement of Claim.

RELIEF REQUESTED

Claimant, Morgan Gladstone, & Co., Inc. requested \$8,646.14 in actual damages plus prejudgment interest.

Respondents, Southport Capital and Curtis Ivey failed to file an Answer to the Statement of Claim.

AWARD

Pursuant to Section 13 of the National Association of Securities Dealers, Inc. Code of Arbitration Procedure, a single Public Arbitrator, Arreh Leo Douer, was selected to review and determine the matter in controversy between the parties set forth

in submissions to Arbitration signed by the Claimant on July 11, 1991 and not by the Respondents as required by Sections 12 and 13 of the National Association of Securities Dealers, Inc. Code of Arbitration Procedure.

1. In accordance with Section 13 of the National Association of Securities Dealers, Inc. Code of Arbitration Procedure the Respondents were served by regular mail on July 29, 1991 and given an opportunity to respond, which they failed to do so. Respondents, Southport Capital and Curtis Ivey were notified on October 3, 1991, via certified mail, that their Answer was overdue. The signed mail receipt was returned to the National Association of Securities Dealers, Inc. date stamped October 9, 1991, evidencing their receipt of of this correspondence. Respondents, Southport Capital and Curtis Ivey failed to file an Answer to the Statement of Claim.
2. Pursuant to the By-Laws of the National Association of Securities Dealers, Inc. arbitrator determined that Respondents Southport Capital and Curtis Ivey were required to submit to this arbitration proceeding and are, therefore, bound by the arbitrator's ruling and determination.

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. Respondents, Southport Capital and Curtis Ivey are jointly and severally liable and shall pay to the Claimant, Morgan Gladstone & Co., Inc. the sum of \$8,646.14 damages.
2. Respondents, Southport Capital and Curtis Ivey are jointly and severally liable and shall pay to the Claimant, Morgan Gladstone & Co., Inc. simple interest at the rate of 12% per annum from August 30, 1990 to date of payment of award.
3. The parties shall bear their respective costs.
4. The \$575.00 filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimant shall be retained by the National

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Association of Securities Dealers, Inc. The Respondents, Southport Capital and Curtis Ivey are jointly and severally liable and shall pay \$575.00 to the Claimant as reimbursement.

AFFIRMATION

I, **ARIKH LEO DOUER**, 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.



Signature of Arbitrator

DATE OF DECISION: February 13, 1992