

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between :  
Joseph Kita :  
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 :  
 Claimant :  
 :  
 vs. :  
 :  
 Jerry Gloss :  
 :  
 Respondent :

CASE #91-02842  
AWARD

### CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on September 12, 1991, Claimant, Joseph Kita, who appeared Pro Se, alleged that Respondent, Jerry Gloss a registered representative at Excel Securities solicited him to purchase 1,000 shares of Standard Oil Company of Delaware at \$7.50 per share by misrepresenting what actual stock was being purchased and its future value. Claimant further alleged that Respondent misled him to believe that he was buying into Standard Oil Company of America, AMOCO, instead of the highly speculative stock he actually purchased for Claimant. Claimant contended that Respondent failed to properly ascertain his investment needs when soliciting this purchase. Claimant further contended that Respondent later failed to inform him when the stock rose, within one and one-half months of his purchase; to \$8.00 per share and never advised Claimant that Respondent could hold the stock certificate to try to make a fast profit for him. Claimant asserted that Respondent manipulated him into an unsuitable purchase for his investment needs, thus, creating losses.

Respondent, Jerry Gloss, who appeared Pro Se, maintained that he advised Claimant, Joseph Kita about a speculative stock called Standard Oil Company of Delaware when he asked about other investments and provided Claimant with all relevant information about this security including the fact that this stock had no relation with the Standard Oil Company of America, Respondent further maintained that on June 5, 1990 Claimant instructed him to purchase 1,000 shares of Standard Oil Company of Delaware, at which time, Respondent again advised Claimant that this was a speculative stock and he gave no guarantees or promises on its future value. Respondent contended that he was in constant touch with Claimant and informed Claimant when the stock rose to \$8.00 per share, at

which time, Claimant did not want to sell. Respondent further contended that he properly ascertained Claimant's investment objectives and that it was Claimant who requested information about this security, therefore, any losses incurred were a result of Claimant's own actions.

RELIEF REQUESTED

Claimant, Joseph Kita requested \$7,500.00 in actual damages.

Respondent, Jerry Gloss requested the claim be denied.

AWARD

Pursuant to Section 13 of the National Association of Securities Dealers, Inc. Code of Arbitration Procedure, a single Public Arbitrator, Anne J. Crane, 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 November 7, 1991 and not by the Respondent as required by Sections 12 & 13 of the NASD Code of Arbitration Procedure.

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. Respondent, Jerry Gloss is liable and shall pay to the Claimant, Joseph Kita the sum of \$2,262.00 in actual damages.
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, Joseph Kita shall be retained by the NASD, Inc.

AFFIRMATION

I, ANNE J. CRANE, 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.



Signature of Arbitrator

DATE OF DECISION: June 16, 1992