

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant(s)

Robert Kronmeyer

91-02941

Name of Respondent(s)

Concorde Brokerage Corporation

REPRESENTATION

For Claimant: Claimant Robert Kronmeyer appeared pro se.

For Respondent: Michael Bachner, Esq. of New York City.

CASE INFORMATION

Statement of Claim filed: September 20, 1991.

Claimant's Submission Agreement signed on: February 13, 1991.

Statement of Answer filed by Respondent on: November 1, 1991.

Respondent's Submission Agreement signed on: October 31, 1991.

HEARING INFORMATION

Hearing Dates/Sessions: March 4, 1992 and April 3, 1992/two sessions

Hearing Location: New York City

CASE SUMMARY

Claimant alleged that he was sold 10,000 shares of Venga Aerospace by Michael Pizzo, then a representative of Shelter Rock Securities. Neither Pizzo nor Shelter Rock Securities were named as respondents. Claimant further alleged that Pizzo fraudulently reported extraordinary price rises in Venga, doing so after he became employed by Respondent Concorde, that he and Concorde failed to execute an order for sale of 5000 of his shares of Venga at \$12.00 per share, a price it had never reached, that relying on misinformation about Venga, he, the Claimant, was led to purchase 300,000 shares of Southmont Corp., later 1500 shares of Black Cat Entertainment by reverse split.

Respondent disclaimed liability for any acts of Pizzo while at Shelter Rock Securities, denied that it rejected any order by Claimant to sell 5000

shares of Venga, alleged Claimant never owned more than 1666 shares of Venga and was attempting to defraud Concorde by seeking damages on shares he never owned, that Claimant had many years of experience in speculative stocks, that Pizzo denied the Claimant's allegations, and that prior to purchasing the Southmont Corp. shares, the Claimant executed a Designated Security Report and Agreement pursuant to Regulation 15c2-6 of the SEC.

Claimant in testimony acknowledged that he owned only 1666 shares of Venga, asserting his claim was erroneous, and admitted his execution of the Designated Security Report and Agreement before his purchase of Southmont Corp.

RELIEF REQUESTED

Claimant sought damages of \$7,500.00 for the purchase price of Venga (based on 10,000 shares at seventy-five cents per share), \$6,000.00 for the purchase of Black Cat shares, damages based on the misrepresented and false price of Venga, \$36,500.00 for mental and emotional distress when he learned that Venga was virtually worthless, and an additional \$600.00 for witness fees. Respondent requested that the claims of the Claimant be dismissed.

AWARD

After considering the pleadings, the testimony and the evidence presented at the hearing, the undersigned arbitrators have decided in full and final resolution of the issues submitted for determination as follows:

- (1) The claims of the Claimant be and hereby are dismissed.

OTHER COSTS

- (1) The parties shall each bear their respective costs.

FORUM FEES

Pursuant to Section 43c of the Code of Arbitration Procedure, the following Forum Fees are assessed:

- (1) The NASD, Inc. shall retain the \$400.00 hearing session deposit previously deposited by the Claimant.
- (2) Respondent Concorde Brokerage Corporation is assessed \$400.00 in forum fees.

Fees are payable to the National Association of Securities Dealers, Inc.

Concurring Arbitrators' Signatures

Edward Sills
Edward Sills, Esq. (chairperson)

Public Arbitrator

Andrew Brodsky

Public Arbitrator

Paul Barenholtz, Esq.

Securities Arbitrator

Dated: June 11, 1992

STATE OF *New York*
COUNTY OF *New York*

S.S.:

On this *10* day of *June*, 19*42*, before me
personally appeared *Edward Sills* to me known to me to be
the individual described in and who executed the foregoing
instrument and be duly acknowledged to me that he/she executed
the same.

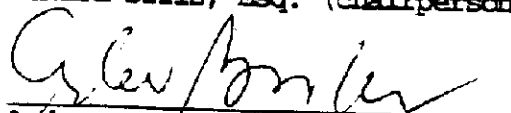
Mark O. Glut

MARK O. GLUT
Notary Public, State of New York
No. 4985183
Qualified in Queens County
Commission Expires April 20, 19*44*

Concurring Arbitrators' Signatures

Edward Sills, Esq. (chairperson)

Public Arbitrator



Andrew Brodsky

Public Arbitrator

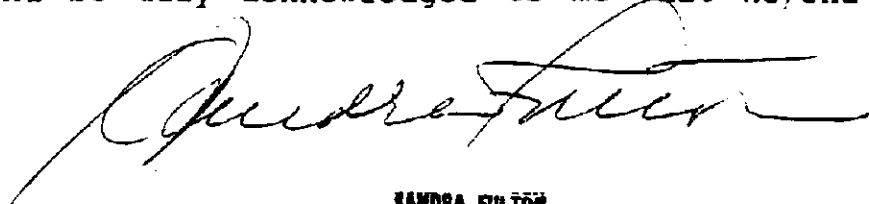
Paul Barenholtz, Esq.

Securities Arbitrator

Dated: June 11, 1992

STATE OF *New York* S.S.:
COUNTY OF *New York*

On this *18th* day of *June*, 19 *92*, before me personally appeared *ANDREW BRODSKY* to me known to me to be the individual described in and who executed the foregoing instrument and he duly acknowledged to me that he/she executed the same.



SANDRA FULTON
Notary Public, State of New York
No. 31-4847044
Qualified in New York County
Commission Expires *4-2-94*

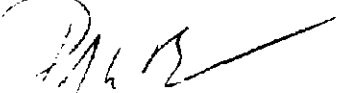
Concurring Arbitrators' Signatures

Edward Sills, Esq. (chairperson)

Public Arbitrator

Andrew Brodsky

Public Arbitrator



Paul Barenholtz, Esq.

Securities Arbitrator

Dated: June 11, 1992

STATE OF
COUNTY OF

New York
New York

S.S.:

On this 13th day of May, 1991, before me personally appeared Paul J. Serezhko the individual described in and who executed the foregoing instrument and be duly acknowledged to me that he/she executed the same.

Richard J. [Signature]

CURT E. KRESCH
Notary Public, State of New York
No. 03-4034404
Qualified in Bronx County
Commission Expires May 22, 1992