

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In The Matter Of The Arbitration Between :

Robert J. Bruno :

Claimant :

CASE #91-03225
ANARD

vs. :

Hibbard Brown & Company, Inc., and
Ken Clayton :Respondents
-----CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on October 15, 1991, Claimant Robert J. Bruno who appeared Pro Se, alleged that in October 1989 Respondent Ken Clayton a registered representative of Respondent Hibbard Brown & Company, Inc. recommended the sale of 5,000 units of Trans Atlantic Video Inc., and subsequent purchase of 5,000 shares of the common stock of Children's Creative Workshop Ltd., ("CCW"), whereby Claimant issued a check for \$621.00 to cover added costs of the transactions. Claimant further alleged that shortly thereafter, he issued a second check to Respondents to cover the entire purchase of the Children's Creative Workshop Ltd., stock. Claimant contended that when Respondents received his second check, they erroneously purchased an additional 5,000 shares of CCW in his account without his knowledge or consent. Claimant further contended that when he received his account statement, he contacted Respondent Ken Clayton to notify him of the inadvertent double purchase of CCW and requested a credit of \$6,877. Claimant asserted that he contacted Respondent's Hibbard Brown & Co., Inc. Assistant Director of Compliance, Mr. Wardell and Mr. R. Brown, President to try to rectify this matter to no avail, therefore, he filed his Statement of Claim for the losses he incurred due to Respondents unauthorized trade in his account.

Respondents, Hibbard Brown & Company, Inc. and Ken Clayton by and through their in-house counsel Steven B. Caruso, Esq., maintained that on or about September 29, 1989, Respondent Ken Clayton, recommended to Claimant the purchase of 5,000 shares of the common stock of the Children's Creative Workshop Ltd., with the prior knowledge, consent and approval of the Claimant, a firm purchase order was executed at the then prevailing market price and a confirmation of said purchase was forwarded to the Claimant.

Respondent further maintained that on or about the same time, Respondent Ken Clayton recommended to the Claimant the sale of 5,000 units of Trans Atlantic Video Inc. so as to allow Claimant to realize an approximate 25% profit and provide nearly all the proceeds required to complete the CCW purchase. Respondents contended that on or about October 5, 1989 Respondents received a check from the Claimant in the amount of \$621.00 representing the balance of the proceeds required to cover the CCW purchase. Respondent further contended that on or about October 18, 1989, Respondent Ken Clayton recommended to the Claimant the purchase of an additional 5,000 shares of the CCW, and subsequently, on or about October 26, 1989 the Respondents received a check from Claimant in the amount of \$6,877.00 representing the full amount of the proceeds required to cover the CCW purchase. Respondents asserted that on or about October 27, 1989, an account statement was forwarded to the Claimant which clearly set forth all of the transactions that had been effectuated in Claimant's account, including the alleged unauthorized purchase of CCW. Respondents further asserted that it was approximately 6 months after the purchase of CCW that Claimant first notified Respondents of an alleged unauthorized trade in his account. Respondents argued that the damages allegedly sustained by Claimant were caused, in whole or in part, by the culpable conduct or negligent acts of commission and/or omission of said Claimant.

RELIEF REQUESTED

Claimant, Robert J. Bruno requested \$6,877.00 in actual damages.

Respondents Hibbard Brown & Company, Inc. and Ken Clayton 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, Gerald Alpert, 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 October 4, 1991, by the Respondent Ken Clayton on November 27, 1991 and by the Respondent Hibbard Brown & Company, Inc. on December 3, 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 Robert J. Bruno against Respondents Hibbard Brown & Company, Inc. and Ken Clayton are dismissed.
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 Robert J. Bruno shall be retained by the NASD, Inc.

AFFIRMATION

I, Gerald Alpert, 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

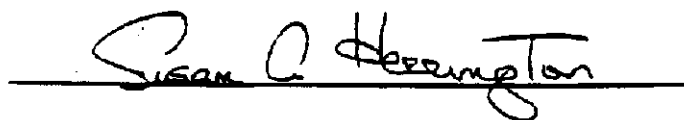
DATE OF DECISION: August 17, 1992

STATE OF: N.Y.

SS:

COUNTY OF: MASSACHUSETTS

On this 10th day of August 1992 before me personally appeared Gerald Alpert, Esq. to me known and known before me to be the individual described in and who executed the foregoing instrument and he duly acknowledged to me that he executed the same.



SUSAN A. HERRINGTON
NOTARY PUBLIC, State of New York
No. 4880290
Qualified in Suffolk County
Certificate Filed Nassau City
Commission Expires 5/94