

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

PUBLIC

Name of Claimant

Arnold S. Lincow, TTE,
Medical Management, Inc. Defined Cont.
Corp. Plan

92-00102

Name of Respondents

Janney Montgomery Scott, Inc.
J. Klatz et al.

REPRESENTATION

For Claimant Arnold S. Lincow, TTE, Medical Management, Inc.
Defined Cont. Corp. Plan: Anthony Hom, Esq. of the law firm of
Hwong & Nix.

For Respondents Janney Montgomery Scott, Inc. J. Klatz et al.:
Anthony Reagoso of the law firm of Reagoso & Associates.

CASE INFORMATION

Statement of Claim filed: January 10, 1992.

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

Joint Statement of Answer filed by Respondents Janney Montgomery
Scott, Inc. and Jerry Klatz and Gary L. Crane on: April 27, 1992.

Respondent, Janney Montgomery Scott, Inc.'s Submission Agreement
signed on: February 10, 1992.

Respondent, Jerry Klatz's Submission Agreement signed on:
February 18, 1992.

Respondent, Gary L. Crane's Submission Agreement signed on:
February 18, 1992.

HEARING INFORMATION

Hearing Dates/Sessions: June 15, 1992 / 2 sessions
August 13, 1992 / 2 sessions
August 31, 1992 / 1 session

Hearing Location: NASD offices located in Philadelphia, PA.

CASE SUMMARY

Claimant, alleged that on or about November 27, 1990 Claimant was advised by Respondents Jerry Klatz and Gary Crane of Janney Montgomery Scott, Inc. to sell the Delchester High Yield Bond Fund and to purchase Decauter #1 for 30 days, then in 30 days sell the Decauter #1 and buy back into Delchester Bond. Claimant further alleged that in October, 1991, Claimant was informed the order was never executed and Claimant did not own Delchester. Claimant further alleged that the investment transaction was unsuitable, fraud by Respondents, breach of fiduciary duty, negligence, breach of contract, violations of Federal Securities Laws, failure to supervise and failure to maintain accurate records.

Respondents denied all of Claimant's allegations and asserted the following affirmative defenses: statute of limitations, contributory negligence, failure to state a cause of action and estoppel.

RELIEF REQUESTED

Claimant requested: \$83,652.85 in compensatory damages plus interest from the date of losses were incurred plus attorneys' fees, costs.

Respondents requested: all claims 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. All claims by Claimant be and hereby are dismissed in their entirety.
2. Each party shall bear their own costs.

Page three
Award 92-00102

FORUM FEES

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

5 sessions x \$500.00 = \$2,500.00 less hearing session deposit
\$570.00 = \$1,930.00.

Forum fees Assessed Against:

Claimant be and hereby is liable and shall pay the NASD \$430.00 to represent forum fees.


Respondents, be and hereby are liable, jointly and severally, and shall pay to the NASD the sum of \$1,500.00 to represent forum fees.

The NASD shall retain the \$150.00 hearing session deposit and \$570.00 hearing session deposit previously deposited by Claimant.


ARBITRATION PANEL

Name

Public/Industry



Clifford A. Harwick



Industry Arbitrator

Date of Decision: September 11, 1992

Page three
Award 92-00102

FORUM FEES

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

5 sessions x \$500.00 = \$2,500.00 less hearing session deposit
\$570.00 = \$1,930.00.

Forum fees Assessed Against:

Claimant be and hereby is liable and shall pay the NASD \$430.00 to represent forum fees.

Respondents, be and hereby are liable, jointly and severally, and shall pay to the NASD the sum of \$1,500.00 to represent forum fees.

The NASD shall retain the \$150.00 hearing session deposit and \$570.00 hearing session deposit previously deposited by Claimant.

ARBITRATION PANEL

Name

Public/Industry



Guillermo L. Bosch, Esq./Chairman

Public Arbitrator

Date of Decision: September 11, 1992

Page three
Award 92-00102

FORUM FEES

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

5 sessions x \$500.00 = \$2,500.00 less hearing session deposit
\$570.00 = \$1,930.00.

Forum fees Assessed Against:

Claimant be and hereby is liable and shall pay the NASD \$430.00 to represent forum fees.

Respondents, be and hereby are liable, jointly and severally, and shall pay to the NASD the sum of \$1,500.00 to represent forum fees.

The NASD shall retain the \$150.00 hearing session deposit and \$570.00 hearing session deposit previously deposited by Claimant.

ARBITRATION PANEL

Name

Public/Industry


Scott L. Peters, Esq.

Public Arbitrator

Date of Decision: September 11, 1992