

## NATIONAL ASSOCIATION OF SECURITIES DEALERS

National Association of  
Securities Dealers, Inc.  
NASD Financial Center  
33 Whitehall Street  
New York, N.Y. 10004  
FAX (212) 858-4389

In the Matter of the Arbitration Between

Name of Claimant

Blossom Wittlin

vs.

Case #  
92-00516

Name of Respondents

Peter Bruno  
Wall Street Money Center Corporation  
Wall Street Money Management Group

REPRESENTATION

For Claimant, Blossom Wittlin ("Claimant"), Edward Castro.

For Respondents, Peter Bruno ("Bruno"), Wall Street Money Center Corporation ("WSMCC"), Wall Street Money Management Group ("WSMMG"), William M. Ogilvie, Esq. from the law firm of Davidson & O'Mara, P.C.

CASE INFORMATION

Statement of Claim was filed on February 10, 1992.  
Claimant's Submission Agreement was signed on February 5, 1992.

Respondents' Statement of Answer was filed on April 27, 1992.  
Respondents signed Submission Agreement was on April 8, 1992.

HEARING INFORMATION

Hearing Dates/Hearing Sessions:    August 31, 1992    -    Two sessions  
   September 1, 1992    -    Two sessions

Hearing Location: National Association of Securities Dealers, Inc.'s offices located at 33 Whitehall Street, New York, New York.

CASE SUMMARY

Claimant alleges that John Schauer and Peter Bruno induced her to join WSMG with the promise that her account would be opened with discount brokers, Charles Schwab and Dreyfus Corp. and that her account would be managed in a conservative manner. Claimant alleges that WSMG later switched her account to WSMCC on the pretext that she would save money and then charged her full

fees.

Claimant states that when she invested \$50,000.000 she advised Respondents that she was 59 years old, divorced, that the investment represented half of her savings, that she earned \$27,000, that she was planning to buy a cooperative at \$38,000 and that she would use her investment to finance the purchase. Claimant states that \$17,000.00 was invested in stocks and the balance in Dreyfus funds.

Claimant further states that she only made money on the Dreyfus investment and wrote a Mr. Adriff and later contacted Peter Bruno and instructed them to sell the stocks and invest the proceeds into conservative investments. Claimant alleges that in response, Peter Bruno called her and then sent her some forms to complete to carry out her objectives. Claimant states that she later discovered that the forms authorized a transfer of her account from Charles Schwab and Dreyfus to WSMCC. Claimant contends that in direct contravention of her instructions, Respondents transferred all of her holdings to WSMCC and invested them into stocks. Claimant also alleges that she sent certified letters and called Respondents and instructed them to sell the stocks and that they failed to carry out her instructions.

Peter Bruno alleges that he is the sole owner of WSMG and WSMCC and that John Scheuer was an editor of the Wall Street Money Letter which Bruno publishes. Respondents allege that Claimant indicated that her main investment objective was growth. Respondents deny liability for Claimant's losses. Respondents contend that Claimant sustained losses in her account because she failed to respond to their February 15, 1989, letter which offered her other options.

Bruno also states that when Claimant complained about the management fees she was paying, he called her and discussed transferring her account to WSMCC and sent her forms to complete to effect a transfer. Respondents contend that Claimant did not indicate that she wanted to switch from stocks to something more conservative, instead she stated that she would "eventually" like to switch.

#### RELIEF REQUESTED

Claimant requests that the panel award her \$34,790.16, which includes interest at the legal rate of nine percent (9%), plus fees and expenses.

Respondent requests that the claim be denied in all respects and that costs be assessed against Claimant.

#### OTHER ISSUES CONSIDERED AND DECIDED

The parties have agreed that the Award in this matter may be executed in counterpart copies or that a handwritten, signed Award may be entered. In

either case, the parties have agreed to receive conformed copies of the Award while the originals remain on file with the NASD.

**AWARD**

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

1. Respondents are jointly and severally liable to Claimant and shall pay her **TEN THOUSAND FIVE HUNDRED AND SIXTY DOLLARS AND EIGHTY SIX CENTS (\$10,560.86)**;
2. The claim for interest is denied;
3. The claim for costs and expenses is denied;
4. The claim as to losses on USF&G and Storage Equities, Inc. is denied and Claimant shall retain ownership of those certificates.

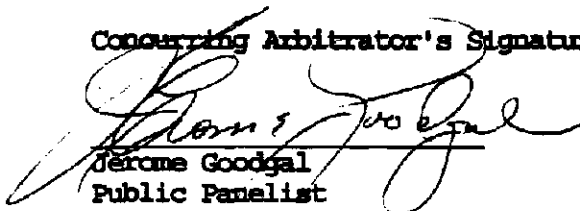
**FORUM FEES**

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

1. Forum fees in the amount of \$1,600.00 for four hearing sessions at \$400.00 per session are assessed and shall be borne by Respondents jointly and severally;
2. Respondents are also assessed the \$100.00 non-refundable filing fee;
3. Claimant deposited \$400.00 and is entitled to a refund;
4. Respondents shall satisfy the fees assessed by reimbursing Claimant \$400.00 and remitting the balance, \$1,300.00 to the NASD.

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

Concurring Arbitrator's Signature

  
Jerome Goodgal  
Public Panelist

Date of Decision: October 9, 1992

STATE OF NEW YORK  
COUNTY OF NEW YORK

S.S.:

On this 30<sup>th</sup> day of September 1992, before me personally appeared **JEROME GOODGAL** known and known to me to be the individual described in and who executed the foregoing instrument and he duly acknowledged to me that he executed the same.

  
**STACEY TAYLOR**  
NOTARY PUBLIC OF NEW JERSEY  
My Commission Expires April 10, 1995

either case, the parties have agreed to receive conformed copies of the Award while the originals remain on file with the NASD.

**AWARD**

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

1. Respondents are jointly and severally liable to Claimant and shall pay her **TEN THOUSAND FIVE HUNDRED AND SIXTY DOLLARS AND EIGHTY SIX CENTS (\$10,560.86)**;
2. The claim for interest is denied;
3. The claim for costs and expenses is denied;
4. The claim as to losses on USF&G and Storage Equities, Inc. is denied and Claimant shall retain ownership of those certificates.

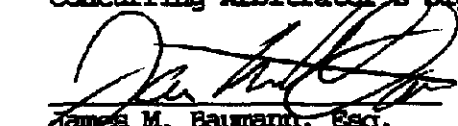
**FORUM FEES**

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

1. Forum fees in the amount of \$1,600.00 for four hearing sessions at \$400.00 per session are assessed and shall be borne by Respondents jointly and severally;
2. Respondents are also assessed the \$100.00 non-refundable filing fee;
3. Claimant deposited \$400.00 and is entitled to a refund;
4. Respondents shall satisfy the fees assessed by reimbursing Claimant \$400.00 and remitting the balance, \$1,300.00 to the NASD.

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

Concurring Arbitrator's Signature

  
James M. Baumann, Esq.  
Chairperson/Public

Date of Decision: October 9, 1992

STATE OF NEW YORK  
COUNTY OF NEW YORK

S.S.:

On this 5 day of October 1992, before me personally appeared **JAMES M. BAUMANN, ESQ.** known and known to me to be the individual described in and who executed the foregoing instrument and he duly acknowledged to me that he executed the same.

Waide M. Wheeler

WAIDE WHEELER  
NOTARY PUBLIC, State of New York  
No. 03 -4837551  
Qualified in Bronx County  
Commission Expires Nov. 30, 1993

either case, the parties have agreed to receive conformed copies of the Award while the originals remain on file with the NASD.

AWARD

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

1. Respondents are jointly and severally liable to Claimant and shall pay her **TEN THOUSAND FIVE HUNDRED AND SIXTY DOLLARS AND EIGHTY SIX CENTS (\$10,560.86)**;
2. The claim for interest is denied;
3. The claim for costs and expenses is denied;
4. The claim as to losses on USF&G and Storage Equities, Inc. is denied and Claimant shall retain ownership of those certificates.

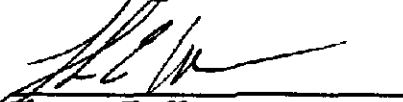
FORUM FEES

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

1. Forum fees in the amount of \$1,600.00 for four hearing sessions at \$400.00 per session are assessed and shall be borne by Respondents jointly and severally;
2. Respondents are also assessed the \$100.00 non-refundable filing fee;
3. Claimant deposited \$400.00 and is entitled to a refund;
4. Respondents shall satisfy the fees assessed by reimbursing Claimant \$400.00 and remitting the balance, \$1,300.00 to the NASD.

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

Concurring Arbitrator's Signature

  
Thomas E. Wagner  
Industry Panelist

Date of Decision: October 9, 1992

STATE OF NEW YORK  
COUNTY OF NEW YORK

S.S.:

On this 1st day of October 1992, before me personally appeared **THOMAS E. WAGNER** known and known to me to be the individual described in and who executed the foregoing instrument and he duly acknowledged to me that he executed the same.

*Larry Cooper*

**LARRY COOPERMAN**  
Notary Public, State of New York  
No. 41-480-1115  
Qualified in Queens County  
Commission Expires August 31, 1994