

PUBLIC

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Siegfried E. Seifart

92-00615

Name of Respondents

Stratton Oakmont, Inc.
Steven Cohen

REPRESENTATION

The Claimant Siegfried E. Seifart ("Claimant") appeared pro se.

Respondent Stratton Oakmont, Inc. ("Stratton") was represented by M. David Hyman, Esq. in-house counsel at Stratton Oakmont, Inc.

Respondent Steven Cohen ("Cohen") appeared pro se.

CASE INFORMATION

Statement of Claim filed on: February 18, 1992.

Claimant's Submission Agreement signed on: February 14, 1992.

Joint Statement of Answer filed by Respondent Stratton and Cohen on: March 11, 1992.

Respondent Stratton's Submission Agreement signed on: March 10, 1992.

Respondent Cohen's Submission Agreement signed on: March 10, 1992.

HEARING INFORMATION

Hearing Date/Sessions: September 10, 1992, 2 sessions.

Hearing Location: NASD offices located in New York, NY.

CASE SUMMARY

Claimant alleged that on September 14, 1990 at the recommendation of Respondent Cohen, employee of Respondent Stratton, Claimant purchased 3,000 shares of Ventura Entertainment for \$31,510.00 and a few days later purchased \$67,510.00 worth of warrants, and on October 24, 5,000 warrants were sold on Respondent's recommendation at a loss of \$2,520.00. Claimant further alleged Respondent Cohen promised Claimant he would repurchase the warrants when they began an upward trend. Claimant further alleged Respondent Cohen convinced Claimant to take the proceeds from the sale of the Ventura warrants and purchase Nova Capital. Claimant alleged Respondent Cohen did not repurchase the warrants when they began to rise in price and as a result of his negligence, Claimant lost an opportunity to make at least \$30,000.00 profit in the warrants, instead Claimant lost \$2,520.00 on the sale of the warrants and another \$21,270.00 on the purchase and sale of Nova Capital Stock. Claimant further alleged Respondent Cohen implored Claimant to give him another chance and on Respondent Cohen's recommendation Claimant purchased 1,000 units of Ropak Laboratories and a few days later 1,000 warrants. Claimant further maintained he told Respondent to sell the units if they went below a certain price, they fell below that price and they were not sold.

Respondents denied all Claimant's allegations. Respondents further maintained that if a broker is to buy when "he sees an uptrend" he is to use his judgment, and is not bound to buy any shares if he believes the rise to be only temporary. Respondent further asserted the following defenses: complaint fails to state a cause of action, Claimant suffered no injury and the Claimant failed to mitigate his damages.

RELIEF REQUESTED

Claimant requested \$36,000.00 in damages plus interest and the cost of filing and pursuing this claim.

Respondents requested that 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. Respondents be and hereby are liable, jointly and severally, and shall pay to Claimant the sum of \$9,584.70.

2. Each party shall bear their respective costs, including attorney's fees.

FORUM FEES

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

2 sessions x \$400.00 = \$800.00 less hearing session deposit of \$400.00 = \$400.00 net due.

Forum fees Assessed Against:

Respondents be and hereby are liable, jointly and severally, and shall pay to the NASD the sum of \$400.00 to represent forum fees.

Respondents be and hereby are liable, jointly and severally, and shall pay to Claimant \$520.00 to reimburse him the filing fee and hearing session deposit paid.

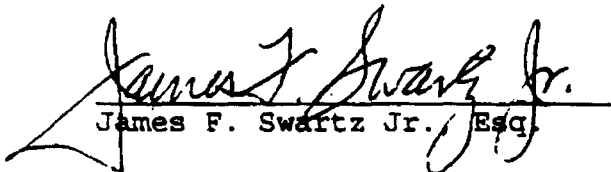
The NASD shall retain the \$120.00 filing fee and \$400.00 hearing session deposit previously deposited by Claimant.

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

CONCURRING ARBITRATORS' SIGNATURE

Name

Public/Industry


James F. Swartz Jr., Esq.

Public Arbitrator

Date of Decision: October 7, 1992

2. Each party shall bear their respective costs, including attorney's fees.

FORUM FEES

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

2 sessions x \$400.00 = \$800.00 less hearing session deposit of \$400.00 = \$400.00 net due.

Forum fees Assessed Against:

Respondents be and hereby are liable, jointly and severally, and shall pay to the NASD the sum of \$400.00 to represent forum fees.

Respondents be and hereby are liable, jointly and severally, and shall pay to Claimant \$520.00 to reimburse him the filing fee and hearing session deposit paid.

The NASD shall retain the \$120.00 filing fee and \$400.00 hearing session deposit previously deposited by Claimant.

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

CONCURRING ARBITRATORS' SIGNATURE

Name

Public/Industry



Christopher E. O'Brien, Esq.

Industry Arbitrator

Date of Decision: October 7, 1992

Page 3.
Award #92-00615

2. Each party shall bear their respective costs, including attorney's fees.

FORUM FEES

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

2 sessions x \$400.00 = \$800.00 less hearing session deposit of \$400.00 = \$400.00 net due.

Forum fees Assessed Against:

Respondents be and hereby are liable, jointly and severally, and shall pay to the NASD the sum of \$400.00 to represent forum fees.

Respondents be and hereby are liable, jointly and severally, and shall pay to Claimant \$520.00 to reimburse him the filing fee and hearing session deposit paid.

The NASD shall retain the \$120.00 filing fee and \$400.00 hearing session deposit previously deposited by Claimant.

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

CONCURRING ARBITRATORS' SIGNATURE

Name

Public/Industry

Diane Getzler, Esq.

Diane Getzler, Esq./Chairman

Public Arbitrator

Public Arbitrator

Date of Decision: October 7, 1992