

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between	:	
Hank J. Wolfert	:	
	:	
Claimant	:	CASE #92-01010
	:	AWARD
vs.	:	
	:	
Sands Brothers & Company Ltd.	:	
Robert J. Bonaventura	:	
	:	
Respondents	:	

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on March 23, 1992, Claimant Hank J. Wolfert by and through his counsel James A. Stanziola, Esq. of Perry & Hamill, Overland Park, Kansas, alleged that Respondent Robert J. Bonaventura, an Account Executive of Respondent Sand Brothers & Company Ltd. purchased 30 Call Options for the Limited Inc. at a strike price of 25 with an expiration date of September 21, 1991 without his authorization. Claimant further alleged that he immediately contested the trade and requested that Respondents cancel the unauthorized purchase in his account. Claimant contended that Respondents never obtained an executed Options Agreement from him which was in violation of Rule 921(e) of the American Stock Exchange whereby Respondents failed to provide Claimant with an options disclosure document which was in violation of Rule 921(f) of the American Stock Exchange. Claimant further contended that Respondent Robert J. Bonaventura committed common law fraud, deceit, common law negligence and violated Rule 10(b) and Rule 10(b)5 of the Securities Exchange Act and breached his fiduciary duty to Claimant. Claimant asserted that Respondent Sands Brothers & Company Ltd. failed to properly supervise Respondent Robert J. Bonaventura from improperly handling Claimant's account, causing him to sustain losses in his account.

Respondents, Sands Brothers & Company, Ltd. and Robert J. Bonaventura by and through their in-house counsel and chief operating officer Gary B. Franklin, maintained that on September 3, 1991 Claimant Hank J. Wolfert discussed trading in Limited, Inc. with Respondent Robert J. Bonaventura and during that conversation, Claimant instructed Respondent Robert J. Bonaventura to buy 30 contracts of Limited, Inc. September 25

Calls using the proceeds in his account. Respondents further maintained that after authorizing the purchase of the Calls, Respondent Robert J. Bonaventura at the request of Claimant, faxed an Option Agreement, in addition to mailing an original to Claimant. Respondents contended that the following day Claimant called to find out what the execution on his Limited, Inc. Option Call was and three days later the stock was going down whereby the Limited, Inc. Calls fell 1-1/2, at which time, Claimant stated that he did not accept the trade and was not going to pay for the same whereby he requested his account be liquidated. Respondents further contended that Claimant subsequently closed his account at Respondent Sands Brothers & Company, Ltd. and all cash plus securities were turned over to him pursuant to his direction. Respondents asserted that they properly handled Claimant's account and deny any liability for Claimant's loss.

RELIEF REQUESTED

Claimant, Hank J. Wolfert requested \$9,259.16 in actual damages plus interest at the rate of 9% per annum together with attorney's fees and reimbursement of the NASD filing fee.

Respondents Sands Brothers & Company Ltd. and Robert J. Bonaventura requested the claim be dismissed.

AWARD

Pursuant to Section 13 of the National Association of Securities Dealers, Inc. Code of Arbitration Procedure, a single Public Arbitrator, Joseph D. Sheppard, III, 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 March 16, 1992 and by the Respondents on May 21, 1992.

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:

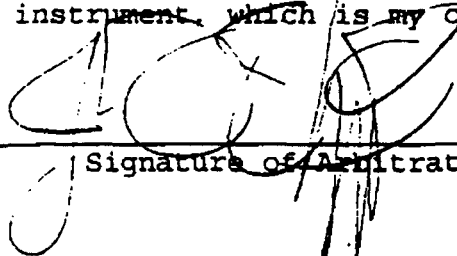
1. Respondents Sands Brothers & Company Ltd. and Robert J. Bonaventura are jointly and severally liable and shall pay to the Claimant Hank J. Wolfert the sum of \$6,000.00 in damages.
2. The Claimant's request for interest is denied.
3. The Claimant's request for attorney's fees is denied.

Page 3
Award #92-01010

4. The parties shall bear their respective costs.
5. The \$575.00 filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimant Hank J. Wolfert shall be retained by the NASD, Inc.

AFFIRMATION

I, JOSEPH D. SHEPPARD, III, 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.



Signature of Arbitrator

Date of Decision: December 2, 1992