

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimants

Max Levine, Jeffrey Hubbs &
Abraham Manber

92-01122

vs.

Name of Respondents

Sunpoint Securities, Inc.
Michael Ainbinder

REPRESENTATION

For Claimants: Kenneth A. Elan, Esq.

For Respondents: Cynthia DiBartolo of the law firm of Singer & DiBartolo.

CASE INFORMATION

Statement of Claim filed: March 31, 1992.

Claimants' Submission Agreements signed on: February 27, 1992, Max Levine
February 28, 1992, Jeffrey Hubbs
March 06, 1992, Abraham Manber

Joint Statement of Answer filed by Respondents Sunpoint Securities, Inc. (Sunpoint) and Michael Ainbinder (Ainbinder) on: June 5, 1992.

Respondent Sunpoint Securities, Inc.'s Submission Agreement signed on: May 19, 1992.

Respondent Michael Ainbinder's (Ainbinder) Submission Agreement signed on: June 2, 1992.

HEARING INFORMATION

Hearing Dates/Sessions: November 18, 1992, One Session
March 15, 1993, One Session
April 26, 1993, Two Sessions.

Hearing Location: NASD Offices located in New York City, New York.

CASE SUMMARY

Claimants alleged that at the time their accounts were opened with Respondents, each Claimant gave Respondent Ainbinder discretionary authority to buy and sell securities in their respective accounts for the following amounts: Levine and Hubbs gave him discretionary authority for up to \$3,333.00. Manber gave discretionary authority to Ainbinder for up to \$6,666 and thereafter Ainbinder proceeded to engage in a course of conduct which was in violation of the authority granted to him by the Claimants and Ainbinder traded puts and calls in unreasonable amounts on behalf of each Claimant causing the Claimants' losses. Claimants further alleged as a result of the unauthorized trades in their respective accounts, Levine and Hubbs paid commissions aggregating at least \$7,545 and Manber paid commissions aggregating at least \$8,500.00.

Respondents maintained they acted in the Claimants' best interests and their investment objective was speculative trading and Respondents disclosed to the Claimants the risks of options trading and Claimant Manber was an experienced investor. Respondents further maintained the Claimants were aware of each transaction and were sent confirmations and statements and Respondents did not receive a complaint from the Claimants during the time their account was open. Respondents further maintained commissions charged were reasonable and the Claimants' computation of loss is not accurate and all transactions were done at the Claimants' discretion and Respondents are not liable and Claimants should not receive compensation for losses that occurred.

RELIEF REQUESTED

Claimants Levine and Hubbs requested damages in the sum of \$17,148.31 and Claimant Manber requested damages in the sum of \$25,500.00 and all Claimants requested that the arbitrators award them interest, costs, disbursements and attorneys' fees.

Respondents requested dismissal of all claims plus costs including attorneys' fees.

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. The Respondents Sunpoint and Ainbinder be and hereby are liable jointly and severally and shall pay to the Claimant Abraham Manber the sum of \$8,098.00 inclusive of interest.
2. The Respondents Sunpoint and Ainbinder be and hereby are liable jointly and severally and shall pay to the Claimants Max Levine and Jeffrey Hubbs the sum of \$6,402.00 inclusive of interest.
3. Each party shall bear their respective costs including attorneys' fees.

FORUM FEES

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

4 sessions X \$400 = \$1,600.00 less hearing session deposit of 400 = net \$1,200 due.

The Respondents Sunpoint and Ainbinder be and hereby are liable jointly and severally and shall pay to the NASD the sum of \$1,200.00 to represent forum fees.

The NASD shall retain the \$120.00 claim filing fee previously deposited by the Claimants.

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

Concurring Arbitrators' Signatures

Name

Irving Gindick
Irving Gindick

Public/Industry

Public

Public

Public

Decision Date: May 17, 1993

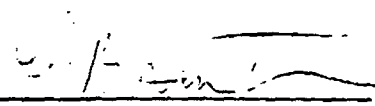
Date of Decision: _____

STATE OF: New York

SS:

COUNTY OF: Westchester

On this 1st day of February, 1993, before me personally appeared Allen Kilik, Esq. known and known to me to be the individual described in and who executed the foregoing instrument and be duly acknowledged to me that he executed the same.




STATE OF: New York

SS:

COUNTY OF: Westchester

On this 1st day of February, 1993, before me personally appeared Irving Gindick known and known to me to be the individual described in and who executed the foregoing instrument and be duly acknowledged to me that he executed the same.

MARIE BELLINO
Notary Public, State of New York
No. 4963303
Qualified in Westchester County
Commission Expires March 12, 1995

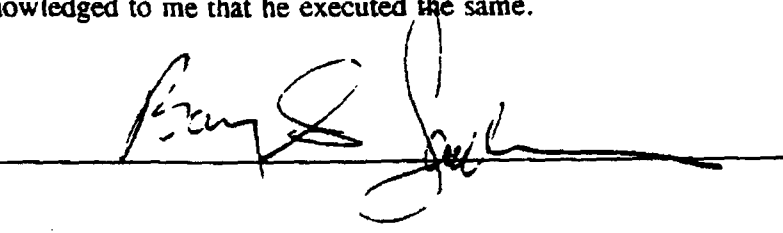
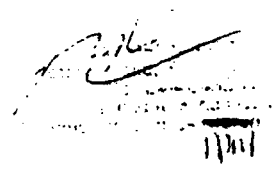


STATE OF: New York

SS:

COUNTY OF: Westchester

On this 1st day of May, 1993, before me personally appeared Barry S. Jacobson, Esq. known and known to me to be the individual described in and who executed the foregoing instrument and be duly acknowledged to me that he executed the same.


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