

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimants

Irving and Barbara Klotz

**NASD Arbitration
NASD #92-01484**

Name of Respondents

Titan Capital Corporation
John Macri

REPRESENTATION

For Claimants: Irving Klotz, pro se.

For Respondents: T. Thomas Fleming, III, Esq., of Jones, Bell, Simpson and Abbott, Los Angeles, California.

CASE INFORMATION

Statement of Claim filed: April 30, 1992

Claimants' Submission Agreement signed: May 5, 1992

Statement of Answer filed by Respondents: June 26, 1992

Respondents' Submission Agreement signed:

Titan Capital Corporation:	June 4, 1992
John Macri:	June 3, 1992

HEARING INFORMATION

Pre-Hearing Conference: None

Hearing Date(s)/Sessions: January 25, 1993 (three sessions)

Hearing Location: Los Angeles, California

CASE SUMMARY

Claimants alleged: they were contacted sometime in 1985 by respondent John Macri (Macri) to invest in various limited partnerships. Macri represented they would be good tax write-offs and yield a high rate of interest, paid quarterly, semi-annually and annually. Claimants invested \$90,000.00 in various limited partnership from May 10, 1986 to March 1990. Claimants only received bankruptcy notices or requests for more money from the partnerships; they have had no return of capital. Claimants alleged fraud and misrepresentation regarding these purchase.

Respondents alleged: the claimants were experienced investors at the time they met Macri, advising him they had a net worth of approximately \$1.3 million and annual income of over \$100,000.00 (including in excess of one million dollars of investments in real estate and other limited partnerships previously purchased by them through other brokers). The attended in excess of 20 limited partnership seminars prior to making any investments, visited individuals properties and interviewed some of the general partners and property managers.

Losses in claimants' account were due to the recession, a downturn in the real estate industry, market fluctuations and new legislation. A majority of claimants' investments performed relatively well, paying \$12,500.00 in distributions and saving approximately \$72,100.00 on income taxes. In addition, Macri rarely heard from claimants following their last purchase through respondent Titan/Value Equities Group, Inc. in 1986.

RELIEF REQUESTED

Claimant requested:

1. Return of capital;
2. Treble damages; and
3. Costs.

OTHER ISSUES CONSIDERED & 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 original remain on file with the NASD.

AWARD

After considering the pleadings, the testimony and the evidence presented at the hearing and post hearing submissions (if any), the undersigned arbitrators have decided in full and final resolution of the issues submitted for determination as follows:

1. All claims are dismissed;
2. The claim for treble damages is dismissed.
3. The parties shall each bear their respective costs including attorneys' fees.

FORUM FEES

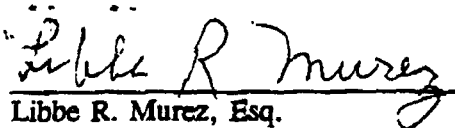
Pursuant to Section 43c of the Code of Arbitration Procedure, the following forum fees are assessed: The NASD shall retain the \$300.00 hearing session deposit previously deposited by the claimant. Forum fees assessed against: None other than retention of claimants' hearing deposit.

Arbitrators

Public/Industry Arbitrator

Public Arbitrator
Public Arbitrator
Industry Arbitrator

Concurring Arbitrators' Signatures


Libbe R. Murez, Esq.

DATE SERVED: 2/26/93

Date of Decision: _____