

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Roger C. Kleis

vs.

Case #
92-02268

Name of Respondents

Guardian International Securities
Louis Sitaras
Jaime Gomez

REPRESENTATION

Claimant Roger C. Kleis appeared pro se.

Respondents, Guardian International Securities, Louis Sitaras and Jaime Gomez, did not respond.

Respondent Innovative Tech Systems is not affiliated with the NASD and declined to submit voluntarily to arbitration.

CASE INFORMATION

Statement of Claim was filed on September 17, 1992.

Claimant's Uniform Submission Agreement was signed on September 14, 1992.

Respondent Innovative Tech Systems filed a request to be removed as a party on October 1, 1992.

Respondents, Guardian International Securities, Louis Sitaras and Jaime Gomez, did not file Answers or sign Submissions Agreements as required pursuant to Section 25 of the Code of Arbitration Procedure.

HEARING INFORMATION

Hearing Date/Session: July 9, 1993 - 1 Session

Hearing Location: NASD offices in New York City, New York.

CASE SUMMARY

Claimant, Roger C. Kleis, alleged that Respondents, Guardian International Securities ("Guardian"), Louis Sitaras and Jaime Gomez, misrepresented information regarding Innovative Tech Systems stock ("Innovative") and failed to liquidate his position as per his order. Claimant alleged that Respondent Sitaras sold to him 10,000 shares of Innovative stock at \$1.00 per share, claiming that it was a good stock, was awaiting NASD listing, had a \$40 million contract with Fler Daniels, and would result in profit. Claimant maintains he called every few weeks to confirm the price of the stock and was assured by Sitaras that the price was still \$1 per share. On December 21, 1990, Claimant purchased an additional 10,000 shares of Innovative stock at \$0.375 per share when Sitaras informed him that Innovative as purchasing a shareholder's position at the same price to comply with NASD rules. Claimant received a statement form Guardian dated January 25, 1991 listing Innovative stock at \$0.125 per share; Sitaras allegedly told him that the listed price of \$0.125 per share was a "general guide" and the actual price was \$0.75 per share. Claimant maintained that he told Sitaras to sell the Innovative shares if the price fell to between \$0.50 and \$0.60 per share, and Sitaras told Claimant not to worry and that the stock could go up as high as \$2 to \$8 per share. Claimant alleged that Sitaras telephoned him on March 12, 1991 and told him that the stock was priced at \$0.75 per share; that Innovative had contractual problems with Fler Daniels that would probably be settled; and that as a result Innovative stock would be priced at \$1 per sh April 1991. Claimant alleged he told Sitaras that he wanted to sell his shares April. Claimant maintained that on April 11, 1991, he called Sitaras but was informed that Sitaras was on another line and would call him back; that he was then called by Gomez who told him that Sitaras was out of town and that Innovative stock was trading at \$0.28 per share. Claimant alleged that Sitaras' failure to sell his position in Innovative stock according to instructions injured him financially.

Respondents, Guardian International Securities, Louis Sitaras and Jaime Gomez, failed to answer to any claims made by Claimant.

RELIEF REQUESTED

Claimant requested actual damages of \$11,830.00 and \$10,000.00 in punitive damages.

AWARD

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

1. In accordance with Section 25 of the Code of Arbitration Procedure, Respondents, Guardian International Securities, Louis Sitaras and Jaime Gomez, were served with the Statement of Claim and given an opportunity to respond which they failed to do;
2. In accordance with Section 21 and Section 26 of the Code of Arbitration Procedure, Respondents, Guardian International Securities, Louis Sitaras and Jaime Gomez, were given due notice of the hearing procedure by regular and certified mail and failed to appear at the hearing;
3. In accordance with Section 29 of the Code of Arbitration Procedure, the arbitration panel determined in light of the foregoing information to proceed with the hearing in the absence of Respondents.
4. The Respondents, Guardian International Securities, Louis Sitaras and Jaime Gomez, are jointly and severally liable and shall pay to the Claimant the sum of **ELEVEN THOUSAND EIGHT HUNDRED THIRTY DOLLARS AND ZERO CENTS (\$11,830.00)**.
5. The request for punitive damages is hereby denied.

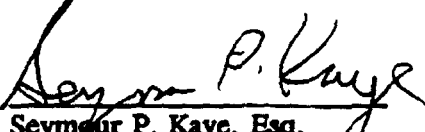
FORUM FEES

Pursuant to Section 43(c) of the Code of Arbitration Procedure, the following Forum Fees are assessed against Respondents, Guardian International Securities, Louis Sitaras and Jaime Gomez, jointly and severally.

1 session X \$300 = \$300 minus hearing session deposit of \$300.00 = net \$0.00 due.

1. Said Respondents shall refund the sum of \$300.00 to Claimant to represent forum fees.

Arbitrator's Signature

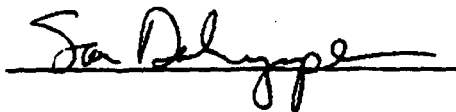

Seymour P. Kaye, Esq.
Sole Public Arbitrator

Date of Decision: August 9, 1993

STATE OF NEW YORK
COUNTY OF NY

S.S.:

On this 6th day of August, 1993, before me personally appeared Seymour P. Kaye 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.



SARA DALRYMPLE
Notary Public, State of New York
No. 31-5003285
Qualified in New York County 94
Commission Expires Oct. 19, 1994