

PUBLIC

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant(s)

Soossan Salmassi

92-02901

AWARD

Name of Respondent(s)

South Richmond Securities, Inc.
Robert Rivoli

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on August 28, 1992, Claimant Soossan Salmassi who appeared Pro Se, alleged that she was persuaded by Respondent Robert Rivoli of Respondent South Richmond Securities, Inc., to open a custodial account for her son, at which time, Claimant informed Respondent Robert Rivoli that she lost all her personal savings in the 1988 stock market crash and the only money she had was her son's college money. Claimant further alleged that after she was persuaded to open the custodial accounts, she requested that Respondent Robert Rivoli look into utility stocks or utility mutual funds; however, Respondent Robert Rivoli stated that Claimant should invest in the stocks that Respondent South Richmond Securities, Inc., recommends in order for Respondent Robert Rivoli to have total control of the stocks whereby he could buy them at the low and sell them at the high, in addition Respondent Robert Rivoli would know in advance of any negative news, at which time, he could sell the stock before the news hit the market. Claimant contended that Respondent Robert Rivoli informed her that he could guarantee the stocks; however, Claimant stated that she did not want to invest in penny stocks, whereby, Respondent Robert Rivoli assured Claimant that Respondent South Richmond Securities, Inc. did not deal with penny stocks. Claimant further contended that Respondent Robert Rivoli purchased 10,000 shares of Homecall for the custodial account whereby Claimant informed Respondent Robert Rivoli to sell them but Respondent Robert Rivoli told her not to worry and he did not sell. Claimant asserted that after receiving Homecall's financial statement she again asked Respondent Robert Rivoli to sell but he refused and after trying numerous times Claimant was unable to sell her shares in any of her accounts with Respondent South Richmond Securities, Inc. Claimant further asserted that because of Respondents South Richmond Securities, Inc. and Robert Rivoli's actions,

Claimant lost value in her account.

Respondent, South Richmond Securities, Inc. by and through their counsel Cirino M. Bruno, Esq. of Gusrae, Kaplan & Bruno, New York, New York, maintained that when Claimant Soossan Salmassi directed a sale in her account Respondents did not disregard these instructions. Respondent South Richmond Securities, Inc. further maintained that Claimant took a risk with the stock, and must bear the result of her decision.

Respondent Robert Rivoli who appeared Pro Se maintained that he was contacted by Claimant Soossan Salmassi and upon opening her accounts she was updated on a regular basis, once a week, in regards to all the equities in all of her accounts. Respondent Robert Rivoli further maintained that Claimant authorized the purchase of Homecall and upon settlement date sent a personal check to Respondent Robert Rivoli to satisfy the debit in the custodial account. Respondent Robert Rivoli contended that no sell order on Homecall was given either verbally or in writing; and no complaint was received by Respondent South Richmond Securities, Inc. in writing or verbally at any point during the relationship.

RELIEF REQUESTED

Claimant, Soossan Salmassi requested \$6,260.00 in actual damages.

Respondent South Richmond Securities Inc. requested the claim be dismissed and they be awarded costs, including attorney's fees.

Respondent Robert Rivoli 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, Linda J. Solway, was selected to review and determine the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimant on August 27, 1992, by the Respondent South Richmond Securities, Inc. November 18, 1992 and by the Respondent Robert Rivoli on October 7, 1992.

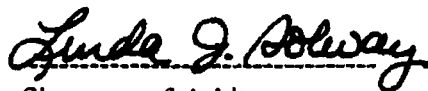
And, the Arbitrator, having considered the proof of the parties, has decided and determined in full and final resolution of the issues submitted for determination as follows:

1. Respondents South Richmond Securities, Inc. and Robert Rivoli are jointly and severally liable and shall pay to the Claimant Soossan Salmassi the sum of \$5,000.00 in damages.

2. Respondents South Richmond Securities, Inc. and Robert Rivoli are jointly and severally liable and shall pay to the Claimant Soossan Salmassi simple interest at the rate of 6% per annum from February 1, 1990 to the date of payment of the award.
3. The parties shall bear their respective costs.
4. The \$150.00 filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimant Soossan Salmassi shall be retained by the NASD, Inc.
5. Respondents South Richmond Securities, Inc. and Robert Rivoli are jointly and severally liable and shall pay to the Claimant the sum of \$150.00, as reimbursement.

AFFIRMATION

I, **LINDA J. SOLWAY**, 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: March 16, 1993