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N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant(s)

Stanley Grocki

Case No. 92-04045

Name of Respondent(s)

Pershing Financial Group
William K. Fraser
Your Discount Broker, Inc.

REPRESENTATION

Claimant, Stanley Grocki ("Grocki"): Pro Se.

For Respondents, William Fraser ("Fraser") and Your Discount Broker, Inc. ("YDB") William Fraser of YDB.

For Respondent, Pershing Financial Group ("Pershing"): David Campbell of Pershing.

CASE INFORMATION

Statement of Claim filed: November 30, 1992. Claimant's Submission Agreement signed: November 24, 1992.

Respondents, Fraser and YDB's, Statement of Answer filed: February 4, 1993. Respondents, Fraser and YDB's, Submission Agreements signed: February 12, 1993 and February 4, 1993 by Fraser individually and on behalf of YDB.

Respondent, Pershing's, Statement of Answer filed: January 7, 1993. Respondent, Pershing's, Submission Agreement signed: January 4, 1993 by Thomas Franko on behalf of Pershing.

HEARING INFORMATION

On March 17, 1993 and July 12, 1993, in Fort Lauderdale, Florida, pre-hearing conferences lasting two (2) sessions were conducted via telephone conference call with an arbitrator.

On July 16, 1993, in Fort Lauderdale, Florida, a hearing lasting one (1) session was conducted.

CASE SUMMARY

Claimant alleged that Respondents were liable for: failure to disclose material facts. Claimant alleged that: he requested that Fraser provide him information regarding America West Airlines stock; the information provided by Fraser failed to contain information that, under the bankruptcy code, the airline was not allowed to make distributions to its stockholders until all other debts were satisfied; and, had this information had been provided to Claimant, he would not have purchased the stock.

Respondents, Fraser and YDB, denied all allegations of wrongdoing and alleged that: Claimant was advised that America West was in bankruptcy; Claimant was advised that YDB was a discount brokerage firm that did not have a research department and that any information Respondent had would be limited.

Respondent, Pershing, denied all allegations of wrongdoing and alleged that: Claimant failed to state a cause of action against Pershing; Pershing acted solely as the clearing agent for YDB; Pershing exercises no control over YDB's employees nor does it have supervisory authority over YDB or its employees; and, Claimant was advised that Pershing had no supervisory authority. Pershing asserted affirmative defenses of: failure to state a claim; waiver; estoppel; laches; and, statute of limitations. Pershing also filed a Motion to Dismiss (see "Other Issues").

RELIEF REQUESTED

Claimant requested damages in the approximate amount of \$5,000.

Respondents, Fraser and YDB, requested dismissal of the claim and that all costs be assessed against Claimant.

Respondent, Pershing, requested dismissal of the claim and that all costs be assessed against Claimant.

OTHER ISSUES CONSIDERED & DECIDED

On March 17, 1993, a pre-hearing conference was held to address Pershing's

Motion to Dismiss. The Motion was denied and Pershing requested reconsideration. On July 12, 1993, a second pre-hearing conference was held to address Pershing's Motion to Dismiss. The Motion was granted at that time and Pershing was dismissed from this action.

AWARD

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

1. Respondents, Fraser and YDB, are found not liable and, therefore, all claims against them are hereby dismissed.

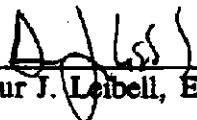
OTHER COSTS

The parties shall each bear all other costs and expenses incurred by them in connection with this proceeding including attorney's fees.

FORUM FEES

1. Pursuant to Section 43(c) of the Code of Arbitration Procedure, the Arbitrator has assessed forum fees in the amount of \$300 (two pre-hearing conferences x \$100 plus one session x \$100 per session).
2. Claimant is hereby assessed \$300 for which the NASD shall retain the \$100 previously deposited in partial satisfaction thereof leaving a balance due of \$200 payable to the National Association of Securities Dealers, Inc.
3. The NASD shall retain the non-refundable filing fee of \$50 paid by the Claimant.

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


Arthur J. Leibell, Esq., P.A.

Public

Date of Decision: 8/5/93

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimants

Elizabeth and Joseph Tellie

92-04046

Name of Respondent

John Hancock Distributors, Inc.

Name of Third-Party Respondent

Thomas Olick

REPRESENTATION

For Claimants Elizabeth and Joseph Tellie ("Claimants"):
appeared pro se.

Claimants

For Respondent John Hancock Distributors, Inc. ("John Hancock"): Frederick
W. Keuthen, Esq.

For Third-Party Respondent Thomas Olick ("Olick"): Olick appeared pro se.

CASE INFORMATION

Statement of Claim filed: December 1, 1992.

Claimant's Submission Agreement signed on: November 27, 1992.

Statement of Answer filed by Respondent John Hancock on: April 30, 1993.

Respondent John Hancock's Submission Agreement signed on: April 30, 1993.

Third-Party Claim filed by Respondent John Hancock on: April 30, 1993.

Statement of Answer to Third-Party Claim filed by Olick on: June 20, 1993.

Third-Party Respondent Olick did not execute a submission agreement as required
pursuant to Section 25 of the Code of Arbitration Procedure.

HEARING INFORMATION

Pre-Hearing Conference: November 5, 1993 - One Session
Hearing Dates/Sessions: November 11, 1993 - Two Sessions
December 10, 1993 - Two Sessions

Hearing Location: The hearing was held at the Holiday Inn, 1800 Market Street, Philadelphia, PA 19103.

CASE SUMMARY

Claimants alleged that over a period of several years, the Claimants invested in various securities which were marketed by Respondent John Hancock Distributors, Inc. and John Hancock Life Insurance, Inc.; that the securities were recommended to the Claimants by Olick, a registered representative with Respondent John Hancock; and that Respondent Hancock misrepresented the risks of the investments, failed to conduct adequate due diligence, and made negligent misrepresentations. Claimants further alleged that they informed Respondent John Hancock that Claimants were interested in purchasing a conservative investment for their IRA's which would have reasonable income and appreciation over time.

Claimants further alleged that Respondent John Hancock represented the Baytide 1986 Oil and Gas Income investment as lower risk, diversified, and possessing very high rates of return and that Respondent indicated Claimants were buying conservative assets which would produce substantial income without great risks.

Claimants also alleged that Respondent John Hancock stressed that real estate was an effective "inflation Hedge" and provided a "higher total return." Claimants alleged that they used funds originating from their metropolitan whole life policies and investment funds to invest in Damson/Birtcher Real Estate Limited Partnership.

Claimants alleged that the "safety" and "regular source of income" representations that attracted the Claimants' retirement investments were misrepresented; that the motive for Respondent John Hancock in recommending the Damson/Birtcher Limited Partnership was to use this security as a vehicle to sell life insurance; that Respondent John Hancock supplied deceptive sales materials to the agents and to their clients; and that Respondent John Hancock knew that the representations made to the Claimants were untrue or the Respondent failed to do adequate due diligence to determine whether untrue or deceptive sales materials were being presented.

Respondent John Hancock denied all allegations of wrongdoing and requested that the Statement of Claim be dismissed. Respondent John Hancock maintained that they did not deceive Olick, a registered representative with Respondent John

Hancock, into selling, or deceive the Claimants into purchasing, either the Baytide 1986 Oil & Gas Income L.P., the John Hancock Realty Income Fund II or the Damson/Birtner Realty Income Fund I; that the only deception, or misrepresentation, that may have occurred was committed by Olick in his sale to the Claimants of oil and gas interests which were never sponsored by Respondent John Hancock, and were not registered as securities in Pennsylvania.

Respondent John Hancock further maintained that based upon the information supplied to Respondent John Hancock by Olick on behalf of the Claimants, the Claimants were suitable and otherwise financially appropriate for these limited partnership investments.

Respondent John Hancock asserted a third-party claim against Olick alleging that Olick, the Claimants' son-in-law, knew or should have known, the appropriateness of limited partnership investments for the Claimants; that Olick improperly sold securities not sponsored by John Hancock; and that Olick's sales representative agreement provides that Olick will indemnify John Hancock for any claim resulting from a violation or state of federal law or NASD rules.

Third-Party Respondent Olick denied all allegations of wrongdoing contained in Respondent John Hancock's third-party claim. Third-Party Respondent Olick maintained that he understood the finances and temperament of the Claimants in making suitable investments and therefore recommended what he believed, based on the information provided to him by John Hancock, to be suitable investments for the Claimants; that because of the misrepresentations, misleading statements, fraud and/or negligence by Respondent John Hancock, inappropriate limited partnerships were purchased by the Claimants; and that Olick did earn commissions from the sale of limited partnerships, however, the commissions earned could not be deemed significant or even a substantial part of Olick's earnings.

Third-Party Respondent Olick further maintained that the Claimants were suitable and appropriate investors for the products they selected and purchased from Olick based upon the representations of Respondent John Hancock; that John Hancock's claims against Olick are barred in whole or in part by the applicable statutes of limitations; that John Hancock has failed to present the basis of their claim with specificity; and that John Hancock has failed to state a claim upon which relief could be granted.

RELIEF REQUESTED

Claimants requested an award against Respondent John Hancock as follows: (1) Actual damages in the amount of \$68,508.38; (2) interest at the advertised or statutory rate; (3) punitive damages under the RICO laws in the amount of \$206,525.14; and (4) cost of arbitration.

Respondent John Hancock requested that the statement of claim be dismissed and the Claimants be awarded no relief. Respondent John Hancock further requested that Third-Party Respondent Olick indemnify Respondent John Hancock if any liability is assessed against Respondent John Hancock in favor of the Claimants.

Third-Party Respondent requested that the third-party claim be dismissed.

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 originals remain on file with the NASD.

Respondent John Hancock filed a motion to consolidate this arbitration matter with another arbitration matter brought by Olick, Olick's wife and Olick's mother. Claimants and Third-Party Respondent Olick filed separate responses objecting to consolidation of the two arbitrations. After reviewing the *submissions on the above motion*, this panel denied Respondent John Hancock's Motion for Consolidation.

Third-Party Respondent Olick and Respondent John Hancock advised the panel at the conclusion of the final session of the hearing that Olick had filed a bankruptcy petition. The panel requested that Olick provide a copy of the Chapter 13 filing for his personal bankruptcy no later than Friday, December 17, 1993. On December 14, 1993, James G. Murphy, Esq. filed a copy of the Bankruptcy petition filed on behalf of Third-Party Respondent Olick. The panel received a copy of the filing on March 2, 1994. Therefore, all claims asserted against Olick in this arbitration are stayed without prejudice to John hancock's rights in the bankruptcy proceeding.

AWARD

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

1. Respondent John Hancock be and hereby is liable to the Claimants in the sum of \$25,000.00 plus interest at the legal rate of 6% from December 1, 1986 until full payment of the award has been made;
2. All claims for punitive damages and/or exemplary damages be and hereby are dismissed in all respects;
3. Each party shall bear their respective costs except that Respondent John Hancock be and hereby is liable and shall reimburse Claimant

the sum of \$120.00 previously paid to the NASD by the Claimant.

FORUM FEES

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

Non-Refundable filing fee:	\$ 200.00
Non-Refundable Third-Party Claim filing fee:	\$ 500.00
1 pre-hearing fee:	\$ 300.00
4 hearing sessions @ \$750.00=	\$3000.00

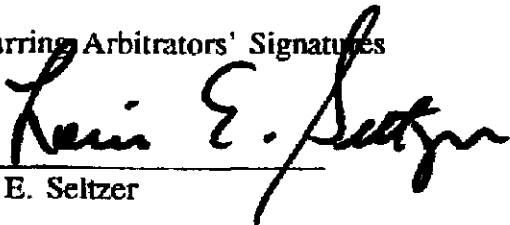
TOTAL = \$4000.00 less \$120.00 previously deposited by Claimant = \$3880.00
less \$500.00 previously deposited by Respondent = 3380.00.

The balance due by Respondent John Hancock is \$3380.00

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

Concurring Arbitrators' Signatures

Name



Louis E. Seltzer

Date of Decision: March 11, 1994

the sum of \$120.00 previously paid to the NASD by the Claimant.

FORUM FEES

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

Non-Refundable filing fee:	\$ 200.00
Non-Refundable Third-Party Claim filing fee:	\$ 500.00
1 pre-hearing fee:	\$ 300.00
4 hearing sessions @ \$750.00=	\$3000.00

TOTAL = \$4000.00 less \$120.00 previously deposited by Claimant = \$3880.00
less \$500.00 previously deposited by Respondent = 3380.00.

The balance due by Respondent John Hancock is \$3380.00

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

Concurring Arbitrators' Signatures

Name


Charles Bloom

Date of Decision: March 11, 1994

the sum of \$120.00 previously paid to the NASD by the Claimant.

FORUM FEES

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

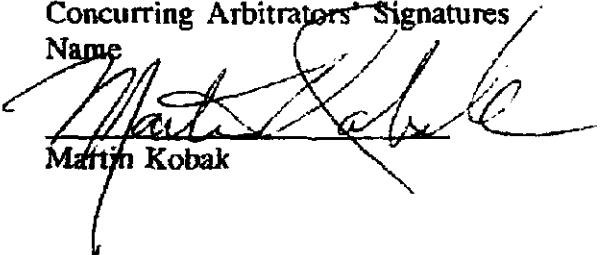
Non-Refundable filing fee:	\$ 200.00
Non-Refundable Third-Party Claim filing fee:	\$ 500.00
1 pre-hearing fee:	\$ 300.00
4 hearing sessions @ \$750.00 =	\$3000.00

TOTAL = \$4000.00 less \$120.00 previously deposited by Claimant = \$3880.00
less \$500.00 previously deposited by Respondent = 3380.00.

The balance due by Respondent John Hancock is \$3380.00

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

Concurring Arbitrators' Signatures
Name


Martin Kobak

Date of Decision: March 11, 1994