

PUBLIC

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Angelo Raiti

92-04195

Name of Respondents

Barrett Day Securities, Inc.
Paul Keiley

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on December 15, 1992, Claimant Angelo Raiti, who appeared Pro Se, alleged that in August, 1990 he authorized Respondent Paul Keiley, Account Executive of Respondent Barrett Day Securities, Inc. to sell his 35,000 shares of Champion Sports, Inc. because Respondent Paul Keiley promised to sell the shares at the same price Claimant paid for it. Claimant further alleged that a few weeks later he contacted Respondent Paul Keiley to inquire about the sale, at which time, Respondent Paul Keiley advised him that the shares had been sold for a total of \$1,700.00. Claimant contended that he complained to Respondent Paul Keiley about the transactions whereby Claimant told Respondent Paul Keiley he wanted his money back and that he was not interested in any other stocks. Claimant further contended that when he insisted that he wanted his money back, Respondent Paul Keiley told him he would call him back the next day, but he never did. Claimant asserted that he contacted Respondent Paul Keiley a few times before he came to phone, at which time, Respondent Paul Keiley told Claimant he could not give the money back because he had put the funds in escrow for another issue, The Bridal Expo whereby Respondent Paul Keiley informed Claimant that if he wanted his money, he would sell the Bridal Expo shares and give Claimant \$600.00. Claimant further asserted that Respondent Paul Keiley's inappropriate handling of his account and Respondent Barrett Day Securities, Inc. lack of supervision, caused him to sustain losses.

Respondent Barrett Day Securities, Inc. by and through their Compliance Officer Phillip Bredow, maintained that on August 28, 1990 Claimant Angelo Raiti authorized the sell of 35,000 shares of Champion Sports, Inc. and Respondent Paul Keiley spoke to Claimant several weeks later concerning an initial public offering called Bridal Expos, at which time, Claimant took an

interest and agreed to use the proceeds from the sale of the Champion to purchase the Bridal Expos whereby a prospectus was sent to Claimant concerning the Bridal Expos. Respondent Barrett Day Securities, Inc. further maintained that Claimant submitted an ACATS Form on January 29, 1991 requesting his account be transferred to Bear Stearns & Co., Inc. Respondent Barrett Day Securities, Inc. contended that Claimant was sent a confirmation for the purchase of Bridal Expos along with a prospectus for Bridal Expos and customer statements indicating his position in Bridal Expos, therefore, for Claimant to claim the purchase to be unauthorized several years later seems highly unlikely.

Respondent Paul Keiley, who appeared Pro Se, maintained that Claimant Angelo Raiti authorized the sale of Champion Sports, Inc., as stated in the Statement of Claim; however, there was a small loss of \$350.00 of which he was aware of at the time. Respondent Paul Keiley further maintained that following this, Claimant received a prospectus on a new issue, Bridal Expos, Inc. and shortly thereafter, Claimant agreed to purchase shares with the balance in his account whereby there was several months before the new issue opened. Respondent Paul Keiley contended that if this was an unauthorized trade, why didn't Claimant contact Respondent Barrett Day Securities, Inc. Compliance Department to cancel the trade, thus the claim should be denied.

RELIEF REQUESTED

Claimant Angelo Raiti requested \$2,100.00 in actual damages.

Respondent Barrett Day Securities, Inc. requested the claim be dismissed in its entirety.

Respondent Paul Keiley requested the claim be denied.

AWARD

Pursuant to Section 13 of the National Association of Securities Dealers, Inc. Code of Arbitration Procedure, a single Public Arbitrator, Judith E. Gross, Esq., was selected to review and determine the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimant on January 13, 1993, by the Respondent Barrett Day Securities, Inc. on February 11, 1993 and by the Respondent Paul Keiley on March 25, 1993.


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 Barrett Day Securities, Inc. and Paul Keiley are jointly and severally liable and shall pay to the Claimant Angelo Raiti the sum of \$1,700.00 in damages.

2. The parties shall bear their respective costs.
3. The \$50.00 filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimant Angelo Raiti shall be retained by the NASD, Inc. Respondents Barrett Day Securities, Inc. and Paul Keiley are jointly and severally liable and shall pay to the Claimant the sum of \$50.00, as reimbursement.

AFFIRMATION

I, JUDITH E. GROSS, ESQ., 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

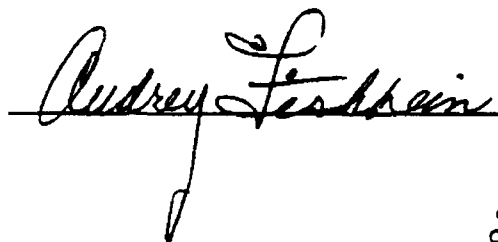
DATE OF DECISION: July 23, 1993

STATE OF: ~~NEW YORK~~

ss:

COUNTY OF: ~~NEW YORK~~

On this 19th day of July, 1993, before me personally appeared Judith E. Gross, Esq. to me known and known before me to be the individual described in and who executed the foregoing instrument and she duly acknowledged to me that she executed the same.



AUDREY FISHBEIN
Notary Public, State of New York
No. 24-4958231
Qualified in Kings County
Certificate filed in New York County
Commission Expires September 11, 1997