

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between

Name of Claimant

**Gregory R. Martino, as Plan Administrator for
AE Associates Plan and Trust and as custodian
for Annari Martino and Marc Martino**

and

92-04230

Name of Respondents

**John R. Roessig individually and
d/b/a Masters Financial Group, Inc.**

REPRESENTATION OF PARTIES

Gregory R. Martino, as Plan Administrator for AE Associates Plan and Trust and as custodian for Annari Martino and Marc Martino ("Claimant") was represented by F. Kelly Smith, Esq., Wheat Ridge, Colorado.

John Roessig individually and d/b/a Masters Financial Group, Inc. ("Respondents") were represented by Jeffrey Smith, Esq. and Marisa Williams, Esq. of Cohen Brame & Smith, Denver, Colorado.

CASE INFORMATION

The Statement of Claim was filed on or about December 18, 1992. Submission Agreement of Claimant was signed on February 23, 1993.

Statement of Answer was filed by Respondents on or about April 30, 1993. Submission Agreement of Respondent John R. Roessig was signed on April 27, 1993.

HEARING INFORMATION

The hearing was held on Friday, August 13, 1993 in Denver, Colorado for a total of two (2) sessions.

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CASE SUMMARY

Claimant alleged that Roessig recommended unsuitable investments in limited partnerships in light of the stated investment objectives for each of the accounts. Claimant also alleged that Roessig failed to disclose the nature of the risks associated with the limited partnership investments.

Respondents denied the allegations set forth in the Statement of Claim. Respondents stated that the Claimant held himself out to be knowledgeable and experienced in real estate limited partnerships and had reviewed the prospectuses prior to making any of the investments complained of in this matter. Claimant further stated that the sole basis for the claim asserted in this matter was the ultimate poor performance of the investments.

RELIEF REQUESTED

Claimant requested an award in the amount of \$40,000.00 representing the total investment in the limited partnerships, in addition to that portion of the investments representing commissions paid to Roessig or anyone else, and the expected rate of return on his investments.

Respondents requested that the Statement of Claim be dismissed with prejudice and that they be awarded their costs, including attorney's fees, and such other relief as is just and proper.

OTHER ISSUES CONSIDERED & DECIDED

Prior to the hearing of this matter, Claimant agreed to dismiss Masters Financial Group, Inc. of Little Rock, Arkansas from this matter.

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(s) remain on file with the N.A.S.D.

AWARD

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

Each party shall bear its own costs, expenses and attorney's fees incurred in this matter not specifically enumerated herein.

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FORUM FEES

Pursuant to §43(c) of the N.A.S.D. Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. ("N.A.S.D.") shall retain the non-refundable filing fee in the amount of \$120.00 and shall retain as forum fees the hearing session deposit in the amount of \$400.00 previously deposited with the N.A.S.D. by the Claimant.

Forum fees are calculated at the rate of \$400.00 per hearing session and \$300.00 for each prehearing conference, if any. Fees are payable to the National Association of Securities Dealers, Inc.

Dated:

s/ Alan C. Friedberg, Esq.
Alan C. Friedberg, Esq.
Public Arbitrator, Presiding Chair

August 23, 1993

s/ Charles S. Chapman
Charles S. Chapman
Public Arbitrator

August 19, 1993

s/ F. Blake Lynch, Esq.
F. Blake Lynch, Esq.
Industry Arbitrator

August 20, 1993