

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

George Levenderis

92-04362

Name of Respondents

Frank DeFrancisco
Tom Reichert

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on December 30, 1992, Claimant George Levenderis, who appeared Pro Se, alleged that during the week of December 7, 1992 he discussed the purchase of Snapple Beverage Commonstock, which was a new issue at that time, with his broker Respondent Frank DeFrancisco with PaineWebber, Inc., at which time, Respondent Frank DeFrancisco told him he would check with the Brokerage Manager, Respondent Tom Reichert. Claimant further alleged that later that day Respondent Frank DeFrancisco told him he could purchase 1,000 shares and subsequently, in the latter part of the week Respondent Frank DeFrancisco informed Claimant he could only purchase 800 shares. Claimant contended that on December 14, 1992, the day before the stock went public, Respondent Frank DeFrancisco told him he could purchase only 500 shares at \$20.00 per share, at which time, Claimant agreed. Claimant further contended that on December 15th the stock went public at the opening of the stock market at 9:30 a.m. and at 10:30 a.m. when the stock was selling at the \$30.00 range, Respondent Frank DeFrancisco told Claimant he did not have any shares. Claimant asserted that he should be able to buy 500 shares of Snapple Beverage at the offering of \$20.00 per share as Respondents had agreed or a minimum compensation of \$5,000.00 from Respondents.

Respondents Frank DeFrancisco and Tom Reichert by and through their in-house counsel Edward P. Degenhardt, Esq., maintained that on December 7, 1992 Claimant George Levenderis called Respondent Frank DeFrancisco to discuss the new issue of common stock for Snapple Beverage Corporation, at which time, Respondent Frank DeFrancisco explained to Claimant all about syndicate policies and policies whereby Respondent Frank DeFrancisco explained that the

deal was being controlled by Merrill Lynch, Pierce, Fenner & Smith, Inc., that only 4 million shares were being offered, and that it was very difficult to get stock from this offering. Respondents further maintained that Claimant told Respondent Frank DeFrancisco he knew this because Claimant's broker at Dean Witter Reynolds, Inc. told him he could not get any stock, at which time, Respondent Frank DeFrancisco explained to Claimant that he would have to speak to Respondent Thomas Reichert, branch manager, for an allocation whereby Claimant instructed Respondent Frank DeFrancisco that he would like 1,000 shares. Respondents contended that Respondent Frank DeFrancisco informed Claimant he was trying to get some of this stock and inquired if Claimant would accept any lesser amounts, at which time Claimant stated that he would take 800 shares or at the least 500 shares. Respondents further contended on December 15, 1992 the shares opened for trading at about 10:15 a.m. at about \$30.00, and Respondent Frank DeFrancisco called Claimant to let him know he never received an allocation from the branch manager Respondent Thomas Reichert thus, Respondents could not fulfill his order. Respondents asserted that Claimant was notified that unless Respondent Frank DeFrancisco was able to obtain shares of the Snapple offering would he be able to offer any to Claimant, thus, the Statement of Claim is meritless and should be dismissed.

RELIEF REQUESTED

Claimant George Levenderis requested \$5,000.00 in actual damages.

Respondents Frank DeFrancisco and Tom Reichert requested the claim be dismissed in its entirety, with costs including fees and costs of these proceedings to be charged against Claimant.

AWARD

Pursuant to Section 13 of the National Association of Securities Dealers, Inc. Code of Arbitration Procedure, a single Public Arbitrator, Dora M. Lassinger, 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 14, 1993 and by the Respondents on April 27, 1993.

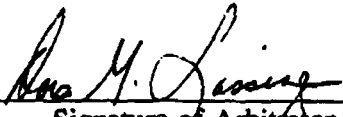
And, the Arbitrator, having considered the proof of the Parties, has decided and determined in full and final resolution of the issues submitted for determination as follows:

1. The claim of Claimant George Levenderis against Respondents Frank DeFrancisco and Tom Reichert is dismissed.
2. The parties shall bear their respective costs.

3. The \$150.00 filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimant George Levenderis shall be retained by the NASD, Inc.

AFFIRMATION

I, DORA M. LASSINGER, 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

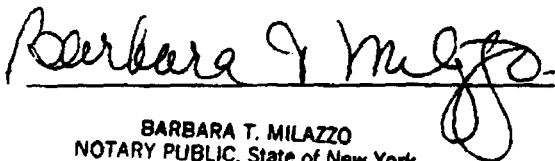
DATE OF DECISION: July 14, 1993

STATE OF: New York

SS:

COUNTY OF: NASSAU

On this 29 day of June 1993, before me personally appeared Dora M. Lassinger, 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.



BARBARA T. MILAZZO

NOTARY PUBLIC, State of New York
No. 4843253
Qualified in Nassau County
Commission Expires March 30, 1994 JAN 31, 1994