

**N.A.S.D. AWARD**

**NATIONAL ASSOCIATION OF SECURITIES DEALERS**

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**In the Matter of the Arbitration Between**

**Name of Claimant(s)**

**Datek Securities Corporation**

**93-00014**

**Name of Respondent(s)**

**Reich & Co. Inc.**

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**CASE SUMMARY**

In a claim filed with the National Association of Securities Dealers, Inc. on January 4, 1993, Claimant Datek Securities Corporation, through its outside counsel, Simon S. Kogan, Esq., NY, NY, alleged that Respondent Reich & Co., Inc. entered into an agreement with the Claimant to sell 1,000 shares of Global Venture to Respondent at a price of \$3.00 per unit, but that when Claimant attempted to tender the units, the Respondent refused to accept tender and pay for the stock. The Claimant contended that due to the wrongdoing of the Respondent, it has suffered damages for which the Respondent should be held liable.

Respondent Reich and Co., Inc., through its representative and in-house counsel, Charles Padgett, and more recently by Eric Shames, maintained that the entity upon which the claim was served was not in existence at the time the acts complained of occurred, and that the proper entity continues in existence under the name "500 Hanover Corp.", and therefore the claims against this Respondent should be dismissed.

**RELIEF REQUESTED**

Claimant Datek Securities Corporation, requested \$3,000.00 in actual damages, plus interest and costs.

Respondent Reich & Co., Inc., requested that the claims of the Claimant be dismissed.

**AWARD**

Pursuant to Section 10 of the NASD, Inc. Code of Arbitration Procedure, a single Industry Arbitrator, Leslie A. Klein, Esq., was selected to review the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimant on December 3, 1993, but not signed by the Respondent as required by Sections 8 and 10 of the NASD Code of Arbitration Procedure.

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 claims of the Claimant Datek Securities Corporation, against Respondent Reich & Co. Inc., are dismissed in their entirety.
2. The parties shall bear their respective costs.
3. The \$575.00 filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimant Datek Securities Corporation, shall be retained by the NASD, Inc.

Affirmation

STATE OF N.Y.

} SS:  
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COUNTY OF N.Y.

I, LESLIE A. KLEIN, do hereby affirm upon my oath  
as arbitrator that I am the individual described in and who executed this instrument,  
which is my oath and award.

  
Signature of Arbitrator

DATE OF DECISION: September 22, 1995