

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Ray Volpe

vs.

93-01009

Name of Respondents

Louis Kovacs
Gale R. Donovan
Stanley Goldring

REPRESENTATION

Claimant appeared pro se.

For Respondents Louis Kovacs and Stanley Goldring: Norman S. Lawi, Esq. in-house counsel at Ladenburg, Thalmann & Co., Inc.

For Respondent Gale R. Donovan: Leon Reich, Esq. of the law offices of Leon Reich, New York, New York.

CASE INFORMATION

Statement of Claim filed: March 15, 1993.

Claimant's Submission Agreement signed on: March 8, 1993.

Joint Statement of Answer filed by Respondents Louis Kovacs and Stanley Goldring on May 12, 1993.

Respondent Louis Kovacs's Submission Agreement signed on June 17, 1993.

Statement of Answer filed by Respondent Gale R. Donovan on May 14, 1993.

Respondents Stanley Goldring and Gale Donovan did not file a Submission Agreement as required by the NASD Code of Arbitration Procedure.

HEARING INFORMATION

Hearing Dates/Sessions: January 5, 1993 -2 sessions
January 6, 1993 -2 sessions

Hearing Location: NASD offices located in New York City, New York.

CASE SUMMARY

Claimant alleged that in March of 1990 he was dismissed from the KG Division of Ladenburg, Thalmann ostensibly because of low production; however, it was caused by unsubstantiated accusations by a broker at another firm. Claimant alleged that when Respondents Kovacs and Goldring, co-managers of the KG Division of Ladenburg Thalmann, told him he was let go with a dozen or so people for low production he was shocked because his production was in the Mid-range and still getting a 40% payment, unlike the 30% smaller producers were receiving. Furthermore, several months ago Claimant told Respondent Kovacs that he had an undiagnosed illness that left him weak and unable to service his regular accounts. Claimant contended that Respondent Kovacs then told him not to worry about this, that he was still doing better than many other brokers and that he wanted KG to be one big happy family where brokers were not let go because of lack of production. Claimant further contended that Respondents Kovacs and Goldring informed him that Respondent Gale Donovan, a broker at Cowan, told them a crazy story about him trying to get her in trouble with inside trading. Claimant alleged that when he moved to Brill Securities, the owner received a phone call from Respondent Donovan whereby she told him that Claimant should be fired because he tried to borrow money from her and wrote her accusatory letters. Claimant alleged that because of all this he lost many accounts and was fired without cause.

Respondents Kovacs & Goldring denied each and every allegation in the Statement of Claim; however they admit they terminated the employment of Claimant based upon the factor of his low production of business.

Respondents Kovacs & Goldring further maintained that business managers may terminate employees at any time with due notice for cause.

Respondent Gale Donovan maintained that the claim does not allege any wrongful conduct or part on any Respondent. Respondent Donovan maintained that she had no part or means to cause the discharge Claimant from his job and never attempted to cause such discharge.

RELIEF REQUESTED

Claimant requested \$100,000.00 in compensatory damages plus lost commissions.

Respondents requested all claims be dismissed.

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:

1. All claims be and hereby are dismissed in their entirety.
2. Respondents Kovacs and Goldring be and hereby are liable and shall pay Claimant the sum of \$1100.00 to represent filing fees.

FORUM FEES

Pursuant to Section 44(c) of the Code of Arbitration Procedure, the following Forum Fees are assessed.


4 sessions x \$600.00 = \$2400.00 less \$600.00 hearing session deposit = \$1800.00 net due.

Respondents Louis Kovacs and Stanley Goldring be and hereby are liable, jointly and severally and shall pay the NASD the sum of \$1800.00 to represent forum fees.

The NASD shall retain the \$500.00 filing fee and \$600.00 hearing session previously deposited by Claimant.

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

ARBITRATORS' SIGNATURE


Domenick L. Natale, Esq.
Industry Arbitrator

Frances E. Scanlon, Esq.
Industry Arbitrator

Eugene R. Cochrane
Industry Arbitrator

Date of Decision: February 8, 1994

STATE OF: *New York*
COUNTY OF: *New York* ss:

On this *18th* day of *Jan*, 1994, before me personally appeared **Domenick L. Natale, Esq.** known and known to me to be the individual described in and who executed the foregoing instrument and he duly acknowledged to me that he executed the same.

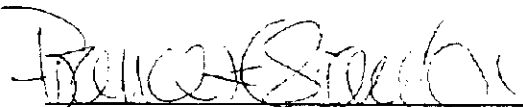


Charlotte Natale

CHARLOTTE NATALE
Notary Public, State of New York
No. 31-4856069
Qualified in New York County
Commission Expires March 10, 1995

ARBITRATORS' SIGNATURE

Domenick L. Natale, Esq.
Industry Arbitrator



Frances E. Scanlon, Esq.
Industry Arbitrator

Eugene R. Cochrane
Industry Arbitrator

Date of Decision: February 8, 1994

STATE OF:

COUNTY OF: **ss:**

On this day , 1994, before me personally appeared **Domenick L. Natale, Esq.** known and known to me to be the individual described in and who executed the foregoing instrument and be duly acknowledged to me that he executed the same.

STATE OF: *New York*

COUNTY OF: *Queens* ss:

On this 14 day *Jan*, 1994, before me personally appeared **Frances E. Scanlon, Esq.** known and known to me to be the individual described in and who executed the foregoing instrument and be duly acknowledged to me that she executed the same.

Henry B. Scilla

STATE OF:

COUNTY OF: ss:

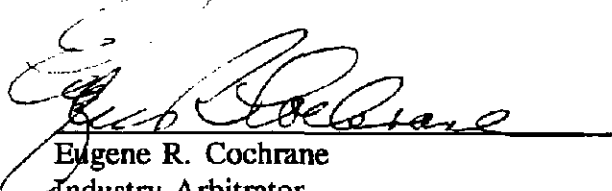
HENRY B. SCILLA
NOTARY PUBLIC, State of New York
No. 4107354910012
Qualified in Queens County
Commission Expires May 31, 1994

On this day , 1994, before me personally appeared **Eugene R. Cochrane** known and known to me to be the individual described in and who executed the foregoing instrument and be duly acknowledged to me that he executed the same.

ARBITRATORS' SIGNATURE

Domenick L. Natale, Esq.
Industry Arbitrator

Frances E. Scanlon, Esq.
Industry Arbitrator



Eugene R. Cochrane
Industry Arbitrator

Date of Decision: February 8, 1994

STATE OF:

COUNTY OF: ss:

On this day , 1994, before me personally appeared Domenick L. Natale, Esq., known and known to me to be the individual described in and who executed the foregoing instrument and be duly acknowledged to me that he executed the same.

STATE OF:

COUNTY OF: ss:

On this day , 1994, before me personally appeared **Frances E. Scanlon, Esq.** known and known to me to be the individual described in and who executed the foregoing instrument and be duly acknowledged to me that he executed the same.

STATE OF: *New York*

COUNTY OF: *Suffolk* ss:

On this *3rd* day *February* 1994, before me personally appeared **Eugene R. Cochrane** known and known to me to be the individual described in and who executed the foregoing instrument and be duly acknowledged to me that he executed the same.

Gloria Boyer Preusse

GLORIA BOYER PREUSSE
Notary Public, State of New York
No. 4869223
Qualified in Suffolk County
Commission Expires *8/25/94*