

**NATIONAL ASSOCIATION OF SECURITIES DEALERS
AWARD**

In the Matter of the Arbitration Between

Steve Diamond,

Claimants,

v.

NASD No. 93-4974

Comprehensive Capital Corporation,
Daniel Losito and Scott Kann,

Respondents.

Representation

For Claimant: John Farina, Esq. of Boyes & Farina, West Palm Beach, Florida

For Respondent Comprehensive Capital: Harold Geringer, Esq. of Geringer & Dolan, New
York, New York

For Respondent Daniel Losito: Pro Se, Lantana, Florida

For Respondent Scott Kann: Pro Se, Del Ray Beach, Florida

Case Information

Statement of Claim filed: November 23, 1993

Amended Statement of Claim filed: May 5, 1995

Claimant's Submission Agreement signed: January 11, 1994

Statement of Answer of Comprehensive Capital filed on: March 30, 1994

Amended Statement of Answer of Comprehensive Capital filed on: September 21, 1995

Statement of Answer of Daniel Losito filed on: September 14, 1995

Statement of Answer of Scott Kann: Not filed and the arbitrators did not assert jurisdiction because no showing was made by claimant that service of the claim on Mr. Kann was completed.

Respondents' Submission Agreement signed on: Comprehensive Capital - March 29, 1994,
Daniel Losito - September 13, 1995, Scott Kann - Not filed.

Hearing Information

Prehearing Conference Date(s)/Sessions: June 5, 1995/one

Hearing Date/Sessions: October 16, 1995/three

Hearing Location: Los Angeles, California

Case Summary

Claimant Steve Diamond (Diamond) alleged unsuitability, excessive trading, failure to supervise and unauthorized trading various stocks and options, including Queensteak Resources, Ltd., Advanced Int. Systems, Belmack Corp., Hi-Lo Automotive, Inc., Dell Computer, International Game Technology, Inc., WCT Communications, Inc. and Casino Magic Corporation. Claimant alleged that he was a part-time travel agent in December of 1992 and had received a settlement of approximately \$175,000 from his late grandmother's estate. Diamond further alleged he was introduced to respondent Scott Kann upon the advice of a friend and explained to Kann that he had no prior investing experience and wanted low risk investments. Diamond asserted that all the securities recommended by Kann were ones in which respondent Comprehensive Capital (Comprehensive) made a market, of which he was not advised. Claimant also asserted that Kann did not inform him of the risks involved in trading options.

Respondent Comprehensive denied all allegations of wrongdoing and alleged that claimant had prior investing experience and his expressed intention when opening his account was to seek trading profits, as evidenced by his New Account Form. Comprehensive alleged that it does not allow discretionary accounts and all purchases were fully discussed with claimant prior to making the trades, all of which were specifically authorized. Respondent further alleged that it did not make a market in any of the securities purchased by Diamond.

Respondent Daniel Losito (Losito) denied all allegations of wrongdoing and alleged that he first talked to claimant when Kann left Comprehensive and told him he would be taking over the account. Losito alleged that Diamond never expressed capital preservation as his investment objective and made it clear that this was his risk tolerant account. Respondent further alleged that based on the information claimant gave him, he made it perfectly clear that he was an astute investor, experienced enough to solicit his own transactions. Losito also argued that he never told Diamond that Kann had invested poorly on his behalf.

Relief Requested

Claimant requested damages in the amount of approximately \$40,000

Respondent Comprehensive requested costs.

Other Issues Considered and Decided

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 originals remain on file with the NASD.

No showing was made by claimant that respondent Scott Kann had been served with the claim and the arbitrators therefore declined to assert jurisdiction over Mr. Kann.

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. Each and every claim is dismissed;
2. The parties shall each bear their respective attorney's fees;
3. The parties shall each bear their respective costs.

Other Costs

None.

Forum Fees

Pursuant to Section 43(c) of the Code of Arbitration Procedure, the following forum fees are assessed: The National Association of Securities Dealers, Inc., shall refund the \$400 hearing session deposit previously paid by the claimant. Forum fees are assessed against respondent Comprehensive only for \$1,500, calculated as follows:

Total forum fees assessed (one prehearing session @ \$300/session and three hearing sessions @ \$400/session)	\$	1,500
Claimant's assessment		0

Claimant's balance due	0
Respondent Comprehensive's assessment	1,500
Respondent Comprehensive's balance due	1,500

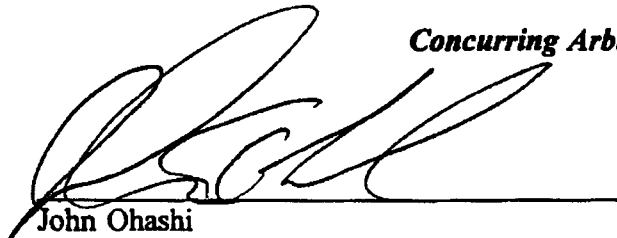
An adjournment fee of \$400 was assessed and paid.

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

Arbitration Panel

<i>Name</i>	<i>Public/Industry</i>
John Ohashi	Public
Robert Sether	Public
John McShane	Industry

Concurring Arbitrators' Signatures


John Ohashi

Robert Sether

John McShane

Date of Decision:

Date served: 11/7/95