

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the matter of the Arbitration Between

Name of Claimant(s)

Alberto C. Alcantara

NASD Arbitration
No. 93-05046

Name of Respondent(s)

Cullum & Sandow Securities, Inc.
Louis Milton Strauss

REPRESENTATION

For Claimant: Michael Huberman, Esq., Greenbaum & Ferentz, Newport Beach, California

For Respondents: Ben L. Krage, Esq., Kasmir & Krage, L.L.P., Dallas, Texas

CASE INFORMATION

Statement of Claim filed: December 1, 1993

Claimant's Submission Agreement signed: November 10, 1993

Joint Statement of Answer filed by Respondents: February 22, 1994

Respondents' Submission Agreements signed as follows:

Cullum & Sandow Securities, Inc.: January 31, 1994

Louis Milton Strauss: February 3, 1994

HEARING INFORMATION

Pre-Hearing Conference Date(s)/Session(s):

January 20, 1995 (one session)

Hearing Date(s)/Session(s): January 24, 1995 (two sessions)

Hearing Location: Los Angeles, California

CASE SUMMARY

Claimant alleged the following causes of action with respect to the securities transactions in Claimant's account: 1) Churning; 2) Misrepresentations and Omissions; 3) Negligent Misrepresentation; 4) Breach of Fiduciary Duty; and 5) Failure to Supervise.

Respondents denied Claimant's allegations of wrongdoing and alleged that in the initial communications between Louis Milton Strauss and Claimant, Mr. Strauss was persuaded that Claimant was a sophisticated investor who understood the risks involved in short selling stocks. Respondents further alleged that every trade in Claimant's account was a trade that was desired by Claimant and specifically directed and authorized by Claimant.

RELIEF REQUESTED

Claimant requested:

1. Damages in the amount of \$8,906.97;
2. Lost profits to be determined;
3. Prejudgment and postjudgment interest at the highest legal rate;
4. Costs of suit;
5. Attorney's fees; and
6. Other and further relief deemed just and proper.

Respondents requested dismissal of Claimant's Claim, and requested reasonable attorney's fees, costs and such other relief deemed just and proper.

OTHER ISSUES CONSIDERED AND DECIDED

None.

AWARD

After considering the pleadings, the testimony, the evidence

presented at the hearing and post-hearing submissions, the undersigned arbitrator has decided in full and final resolution of the issues submitted for determination as follows:

1. Respondents Cullum & Sadow Securities, Inc. and Louis Milton Strauss are jointly and severally liable for and shall pay to Claimant the sum of \$4,450.00 plus 7% interest from October 6, 1993 until payment of this award.

2. The parties shall each bear their respective costs including attorney's fees.

FORUM FEES

Pursuant to Section 43(c) of the Code of Arbitration Procedure, the following forum fees are assessed: The NASD shall refund the \$200.00 hearing session deposit previously deposited by Claimant. Forum fees are assessed against: Respondent Cullum & Sadow Securities, Inc., solely, in the amount of \$600.00, calculated as follows: One pre-hearing session times \$200.00/session plus two hearing sessions times \$200.00/session.

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

PRESIDING ARBITRATOR

Name _____ Public / Industry

Isidoro Berkman, Esq.

Public Arbitrator

Presiding Arbitrator's Signature



Isidoro Berkman, Esq.

Date Served: 3/10/95

Date of Decision: 3-6-95