

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of Arbitration Between

Name of Claimant

Pauline E. Spitz-Herbach

93-05108

Name of Respondent

Corporate Securities Group, Inc.

REPRESENTATION

Claimant Pauline E. Spitz-Herbach ("Claimant") appeared pro se.

For Respondent Corporate Securities Group, Inc. ("Respondent") appeared Steven Jaloza, the Office Manager of Corporate Securities Group, Inc.'s branch office located in Great Neck, New York.

CASE INFORMATION

Statement of Claim filed: December 10, 1993.

Claimant's Submission Agreement signed on: November 15, 1993.

Statement of Answer filed: May 16, 1994.

Respondent's Submission Agreement signed on: May 12, 1994.

HEARING INFORMATION

Hearing dates/sessions:	October 24, 1994	-	One Session
	November 22, 1994	-	One Session

The hearings were held at the offices of the National Association of Securities Dealers, Inc., located in New York, New York.

CASE SUMMARY

Claimant alleged that Respondent did not abide by the written and oral agreements that Respondent entered into with Claimant. Claimant alleged that, under the agreements, she was to receive a base salary of \$200.00 per week, commissions, \$25.00 for each qualified lead she obtained and the first commission generated from such leads, provided that the lead resulted in an account being opened. In addition, Claimant alleged that the Respondent agreed that accounts opened from leads she obtained from her previous firm would be her accounts and all commissions generated from these accounts would be payable to her.

Claimant alleged that she worked set hours and that Respondent docked her salary when she arrived at the office late or left the office early. Claimant further alleged that Respondent only paid her base salary for four weeks, but that her salary wasn't fully paid for four other weeks. In addition, Claimant alleged that Respondent did not pay her commissions for three trades and \$25.00 for three leads. Claimant also alleged that, on the day she resigned, 100 qualified leads were removed from her pocketbook and, therefore, she was entitled to \$25.00 for each of these leads.

Respondent maintained that Claimant worked as a registered representative for Respondent and that Respondent agreed to pay Claimant on a commission basis only and that there were no other agreements entered into between Claimant and Respondent. Respondent further maintained that there was no agreement to pay Claimant for leads.

Respondent maintained that during the two and a half months Claimant worked for Respondent, Claimant generated only three trades for the firm. Respondent maintained that Claimant was not entitled to commissions for the three mutual fund trades she generated because the amount of these commission were less than the monthly expenses generated by Claimant during that period.

RELIEF REQUESTED

Claimant requested compensatory damages in the amount of \$3,225.00, an unspecified amount of punitive damages, and costs in the amount of \$500.00.

Respondent requested that the Statement of Claim be dismissed in its entirety.

OTHER ISSUES CONSIDERED AND DECIDED

At the hearing, originally commenced on October 24, 1994, there was a brief interaction that occurred between one of the parties and the arbitrator. In order to maintain the integrity of the arbitration process and so there would be no appearance of impropriety, the arbitrator recused himself. The parties agreed to

present their cases to a newly selected arbitrator at a new hearing. The new hearing was conducted on November 22, 1994.

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.

AWARD

After considering the pleadings, the testimony and the evidence presented at the hearing, the undersigned arbitrator has decided in full and final resolution of the issues submitted for determination as follows:

1. All claims against Respondent be and hereby are dismissed in their entirety.
2. Each party shall bear their respective costs, including attorney's fees.
3. All other claims be and hereby are denied.

FORUM FEES

Pursuant to Section 44(c) of the Code of Arbitration Procedure, the arbitrator has determined that the NASD shall retain the non-refundable filing fee of \$500.00 and has assessed the following forum fees:

1 hearing session (November 22, 1994) = \$300.00

Claimant be and hereby is liable and shall pay to the NASD the sum of \$300.00 representing outstanding forum fees.

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

ARBITRATOR'S SIGNATURE



Richard S. Peskin, Esq.
Industry Arbitrator

Date of decision: January 30, 1995

STATE OF:

SS:

COUNTY OF:

On this 26 day of JANUARY, 1996, before me personally appeared Richard S. Peskin, 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.

Mart [Signature]

Notary Public
Qualified Notary Public
Commission Expires 1/31/99