

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

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In the Matter of the Arbitration Between

Name of Claimant

Norman Tregenza

94-00836

Name of Respondents

Steven Ropas  
J.W. Bullard & Co.

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CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on March 4, 1994, Claimant Norman Tregenza, through his representative, Steven S. Weiss, Esq., New York, NY, alleged that Respondents J.W. Bullard & Co. ("Bullard") and Steven Ropas ("Ropas") purchased securities for his account without authorization and acted with gross negligence. Claimant alleged that Respondent Bullard failed to supervise Respondent Ropas. Claimant further alleged that he maintained a non-discretionary account at Respondent Bullard and Respondent Ropas was the broker in charge of the account. Claimant contended that Respondents made two unauthorized purchases for his account - 10,000 shares of Alpnet, Inc. on June 15, 1993 and 10,000 shares of Environmental Solutions, Inc. on July 1, 1993. The Claimant further contended that he maintained a second non-discretionary account at Respondent Bullard and that on or about August 23, 1993 Respondent Bullard persuaded him to purchase 10,000 shares of Tirex America, Inc. at a price of 5/8 per share. The Claimant alleged that the confirmation slip identified Respondent Bullard as the "introducing firm as principal" and stated "no mark-up". The Claimant further alleged that he subsequently learned that Respondent Bullard and other brokerage companies had purchased Tirex at only 1/4 per share and had Claimant been aware of this, he would never have purchased Tirex stock. As a result of the above, Claimant contended that he has suffered damages for which the Respondent should be held liable.

Respondent J.W. Bullard & Co., through its representative Arthur P. Fisch, Esq., New York, NY, maintained that the Claimant was aware of the transactions in his account and approved each trade. Respondent Bullard further maintained that Claimant received confirmation slips at the address he provided to Respondent Ropas. Respondent Bullard contended that it is of no consequence what it paid for Tirex, that when this trade was made the price quoted to Claimant

was the current bid & ask, and the trade was done at the ask with no mark-up. As a result of the above, Respondent maintained that it should not be held liable in this matter.

Respondent Steven Ropas, who appeared Pro Se, maintained that the Claimant authorized each of the transactions in question and that he acted in the best interest of his client at all times. Respondent further maintained that Respondent Bullard and Lillian Vinci have been consistently putting all the blame of their customer complaints on his shoulders. As a result of the above, Respondent contended that it should not be held liable in this matter.

### **RELIEF REQUESTED**

Claimant Norman Tregenza requested \$6,582.00 in actual damages, an additional \$2,500.00 in actual damages from Respondent J.W. Bullard & Co., plus costs and attorney's fees.

Respondent J.W. Bullard & Co. requested that the claims of the Claimant be dismissed.

Respondent Steven Ropas requested that the claims of the Claimant be dismissed.

### **AWARD**

Pursuant to Section 13 of the National Association of Securities Dealers, Inc. Code of Arbitration Procedure, a single Public Arbitrator, Stephen Korn, Esq., was selected to review the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimant on February 27, 1994 and not by the Respondents as required by Sections 12 & 13 of the NASD, Inc. 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. Respondents J.W. Bullard & Co. and Steven Ropas are jointly and severally liable and shall pay to Claimant Norman Tregenza \$6,582.00 in actual damages.
2. Respondents J.W. Bullard & Co. and Steven Ropas are jointly and severally liable and shall pay to Claimant Norman Tregenza \$500.00 in attorney's fees.
3. The parties shall bear their respective costs.

4. The \$150.00 filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimant shall be retained by the NASD, Inc. Respondents J.W. Bullard & Co. and Steven Ropas are jointly and severally liable and shall pay to Claimant \$150.00 as reimbursement of the filing fee.

**AFFIRMATION**

I, **STEPHEN KORN, ESQ.**, do hereby affirm upon my oath as arbitrator that I am the individual described herein and who executed this instrument, which is my oath and award.

A handwritten signature in cursive script, appearing to read "Stephen Korn", is written over a horizontal line.

Signature of Arbitrator

**DATE OF DECISION:**

January 26, 1995