

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Dominick Perrone

94-00891

Name of Respondent

Warren S. Green
R.B. Webster Investments, Inc.

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on April 21, 1994, Claimant Dominick Perrone, who appeared Pro Se, alleged that Respondent Warren S. Green ("Green"), an account representative of Respondent R.B. Webster Investments, Inc. ("R.B. Webster"), in April of 1993, solicited the purchase of 300 shares of Winners Circle, Inc. ("Winners Circle") stock at a price of \$4.50 per share, utilizing high pressure selling tactics. Claimant further alleged that Respondents stated that Winner Circle was supposed to be a hot stock at the time. Claimant contended that a few months later, Green solicited the purchase of an additional 200 shares of Winner Circle at a price of \$3.75 per share, representing that the stock would top out at \$10.00 per share in the not too distant future. Claimant further contended that the price of Winner Circle dropped to \$0.50 per share. Claimant additionally alleged that Respondents lied and deceived Claimant and provided Claimant with false information. As a result of the above, Claimant alleged that he has suffered damages for which the Respondents should be held liable.

Respondent Warren S. Green, who appeared Pro Se, maintained that he provided Claimant with a corporate profile on Winners Circle and explained the company's business prior to the initial purchase. Green denied pressuring Claimant into the purchase, and denied saying that the stock was a hot issue. Green further maintained that he told Claimant that other brokers in his office were buying the stock for their regular clients. Green asserted that a few months later he felt that it was a good time to purchase more shares of Winners Circle because the company was acquiring additional properties, Claimant could average down his cost, and because the company was doing a spin-off. In addition, Green denied making any predictions about the future performance of Winners Circle to Claimant. As a result of the above, Respondent Green contended that he should not be held liable in this matter.

Respondent R.B. Webster Investments, Inc. did not file an answer to these allegations.

RELIEF REQUESTED

Claimant Dominick Perrone requested \$2,130.00 in actual damages, plus \$470.00 in punitive damages.

Respondent Warren S. Green did not specifically state a relief.

Respondent R.B. Webster did not file an answer and did not state a relief.

OTHER ISSUES CONSIDERED & DECIDED

Respondent R.B. Webster Investments, Inc. did not file with the NASD a properly executed submission to arbitration but is required to submit to arbitration pursuant to Section 12 of the NASD Code of Arbitration Procedure (the "Code"), and is bound by the determination of the arbitrator on all issues submitted.

AWARD

Pursuant to Section 13 of the National Association of Securities Dealers, Inc. Code of Arbitration Procedure, a single public Arbitrator, Lawrence A. Pittore, Esq., was selected to review and determine the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimant on February 28, 1994 and by Respondent Warren S. Green on December 15, 1994.

1. In accordance with Section 13 of the NASD Code of Arbitration Procedure, Respondent R.B. Webster Investments, Inc., was served by regular and certified mail and given an opportunity to respond, which it failed to do.
2. Pursuant to the By-laws of the NASD, the Arbitrator determined that Respondent R.B. Webster Investments, Inc. had notice of the claim, and was required to submit to this arbitration proceeding; and is, therefore, bound by the arbitrator's ruling and determination.

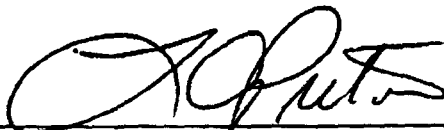
And, the Arbitrator, having considered the proof of the Parties, has decided and determined in full and final resolution of the issues submitted for determination as follows:

1. Respondents Warren S. Green and R.B. Webster Investments, Inc. shall be and hereby are jointly and severally liable for, and shall pay to Claimant Dominick Perrone, \$1,200.00 in actual damages.

2. The parties shall bear their respective costs.
3. The \$50.00 filing fee previously deposited with the National Association of Securities Dealers, Inc. ("NASD") by the Claimant shall be retained by the NASD, Inc. Respondents Warren S. Green and R.B. Webster Investments, Inc., shall be and hereby are jointly and severally liable for and shall pay to Claimant Dominick Perrone, \$50.00 as reimbursement of the filing fee.
4. Any relief not specifically provided for herein is denied.

AFFIRMATION

I, **LAWRENCE A. PITTORE, ESQ.**, do hereby affirm upon my oath of arbitrator that I am the individual described herein and who executed this instrument, which is my oath and award.

A handwritten signature in black ink, appearing to read "L. A. Pittores", written over a horizontal line.

Signature of Arbitrator

DATE OF DECISION:

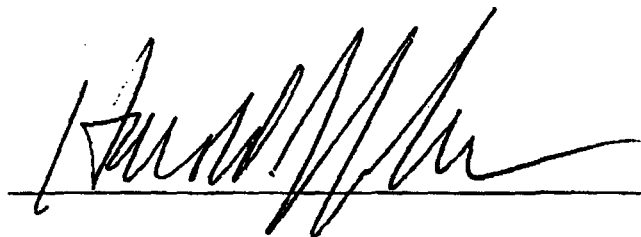
6/22/95

STATE OF: NEW YORK

SS:

COUNTY OF: WESTCHESTER

On this 22nd day of JUNE 19 95, before me personally appeared **LAWRENCE A. PITTORE, ESQ.** to me known and known before me to be the individual described in and who executed the foregoing instrument and he duly acknowledged to me that he executed the same.

A handwritten signature in black ink, appearing to read 'Harold J. Johnson', is written over a horizontal line.

HAROLD J. JOHNSON
Notary Public, State of New York
No. 4639003
Qualified in Westchester County
Commission Expires Jan. 31, 1997