

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Edward J. Dunne

94-01205

Names of Respondents

Chris Richardson
Maurice Cohen

REPRESENTATION

Claimant Edward J. Dunne appeared pro se.

For Respondent Maurice Cohen ("Cohen") appeared Donald N. Cohen, Esq., Assistant General Counsel of Gruntal & Co., Inc., located in New York, New York.

For Respondent Chris Richardson ("Richardson") appeared Anthony N. Iannarelli, Jr., Esq., a sole practitioner located in New York, New York.

CASE INFORMATION

Statement of Claim filed: March 29, 1994.

Claimant's Submission Agreement signed on: March 24, 1994.

Statement of Answer filed by Respondent Cohen June 17, 1994.

Respondent Cohen's Submission Agreement signed on: June 8, 1994.

Statement of Answer filed by Respondent Richardson: March 31, 1995.

Respondent Richardson's Submission Agreement signed on: March 20, 1995.

HEARING INFORMATION

Pre-Hearing Conference:	February 10, 1995	-	One Session
Hearing Date/Sessions:	April 20, 1995	-	Two Sessions

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, in July, 1993, when a portion of his American Standard Inc. bonds were redeemed, he contacted his account executive, Respondent Richardson, to purchase more bonds. Claimant also alleged that Respondent Richardson told him to sell the remaining bonds and purchase Burr-Brown stock instead. Claimant maintained that he told Respondent Richardson that he did not want to purchase the stock, but that Respondent Richardson told him to consider it. Claimant further alleged that a week later he received a confirmation for the transactions.

Claimant alleged that he spoke with Respondent Cohen to complain about the unauthorized transactions and was led to believe that Respondent Cohen was a compliance officer. Claimant further alleged that he later learned that Respondent Cohen was Respondent Richardson's manager and not a compliance officer. Claimant also alleged that, despite his complaints, Gruntal & Co. would not rectify the situation.

Respondent Cohen denied all allegations of wrongdoing and maintained that he played no role in the transactions that Claimant complained of. Respondent Cohen further maintained that he acted in a proper manner with respect to the Claimant and his account and that all claims against him should be dismissed.

As affirmative defenses, Respondent Cohen maintained that the Statement of Claim failed to state a claim upon which relief can be granted; that any losses suffered by Claimant were caused by Claimant's own decisions and the market conditions; that Claimant assumed the risk of losses; that the claims were barred by the doctrines of waiver, ratification, estoppel, failure to mitigate and by the applicable statutes of limitations.

Respondent Richardson denied all allegations of wrongdoing and incorporated by reference the motion to dismiss and the affirmative defenses asserted in Respondent Cohen's Statement of Answer.

RELIEF REQUESTED

Claimant requested a total of \$4,985.00 in damages, representing a loss of \$3,003.00, commissions and fees of \$232.00, personal time of \$1,350.00 and unrealized profit and interest of \$400.00.

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

OTHER ISSUES CONSIDERED & DECIDED

During the hearing, Respondent Cohen made a motion to dismiss all claims against him. The arbitrator considered this request and granted the motion.

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. Respondent Richardson be and hereby is liable and shall pay to Claimant the sum of \$3,574.67, inclusive of interest.
2. All claims against Respondent Cohen be and hereby are dismissed.
3. Each party shall bear their respective costs, including attorneys' fees, except that Respondent is liable and shall pay to Claimant the sum of \$100.00 as reimbursement of a portion of the fees paid to the NASD by Claimant.
4. All other claims are hereby denied.

FORUM FEES

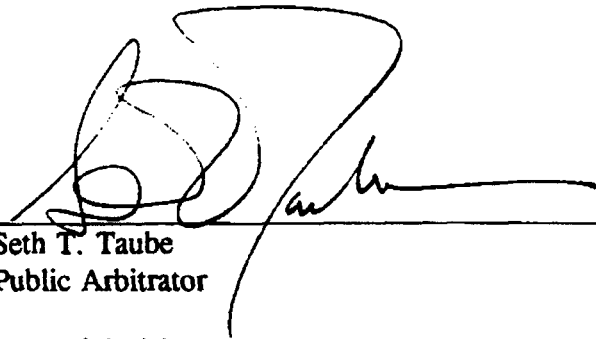
Pursuant to Section 43(c) of the Code of Arbitration Procedure, the arbitrator has determined that the NASD shall retain the \$50.00 filing fee deposited by the Claimant and has assessed the following forum fees:

Pre-hearing conference=	\$100.00
2 hearing sessions * \$100.00=	<u>\$200.00</u>
Total fees assessed=	\$300.00
minus hearing session deposit=	<u>\$100.00</u>
Total fees outstanding=	\$200.00

Respondent Richardson be and hereby is liable for the sum of \$300.00, representing the total amount of forum fees assessed. Respondent Richardson shall pay the sum of \$200.00 to the NASD, representing the outstanding balance of forum fees due and owing to the NASD.

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

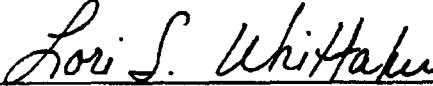
ARBITRATOR'S SIGNATURE


Seth T. Taube
Public Arbitrator
Date of decision: June 27, 1995

STATE OF:

COUNTY OF: ^{Essex} ~~County~~

On this 22 day of June, 1995, before me personally appeared **Seth T. Taube, Esq.** to me known and known to me to be the individual described in and who executed the foregoing instrument and he duly acknowledged to me that he executed the same.


N.J. attorney at law