

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Edsel Max Coble

95-00640

Name of Respondents

J. Gregory & Co., Inc.
Mohammed Wasif

REPRESENTATION

Claimant Edsel Max Coble ("Claimant") was represented at the hearing by John A. Dezio, Esq., Attorney at Law, in Charlottesville, VA.

Respondents J. Gregory & Co., Inc. and Mohammed Wasif (collectively known as "Respondents") were not present nor were representatives present on their behalf at the hearing.

CASE INFORMATION

The Statement of Claim was filed February 7, 1995.
Claimant's Submission Agreement was signed on January 24, 1995.

No Statement of Answer was filed nor was a Submission Agreement executed by Respondents.

HEARING INFORMATION

Hearing Date/Session: October 10, 1995
Hearing Location: Omni Richmond Hotel
Richmond, VA

CASE SUMMARY

Claimant alleged the following:

Account Executive, Mohammed Wasif ("Wasif"), an employee of J. Gregory & Co., Inc. ("J. Gregory"), traded Claimant's account on margin without Claimant's authority. Claimant alleged that he told Wasif at all times that he did not wish to trade on margin. Specifically, Claimant told Wasif at all times prior to July 1993 through their entire relationship that Claimant did not want to

trade on margin ever. Claimant alleged that Wasif purchased 300 shares of Advanced NMR Systems, Inc. on September 14, 1993 in a margin account and transferred 5000 shares of Stone Container Corporation and 400 shares of Advanced NMR Systems, Inc. to a margin account contrary to Claimant's wishes. Claimant alleged that Wasif was never given expressed nor implied authority to trade on margin in Claimant's account. On January 12, 1994, without authority, Wasif in his position as Account Executive for J. Gregory, purchased 1000 shares of Projectavision, Inc. into a margin account. Claimant alleged that this was contrary to the wishes and instructions he give Respondents. Claimant alleged that on January 24, 1994, Wasif sold out of a margin account, 5000 shares of Stone Container Corporation, in order "to cover the requirements of the margin account" (to purchase additional stock). Claimant alleged that on June 23, 1994, J. Gregory, contacted him on a margin call wherein Claimant was forced to liquidate his positions to meet the margin requirements for his account. Claimant alleged that Respondents left him with no alternative and his account suffered losses due to Respondents handling of his account. As a result of Respondents wrongdoing, the following shares were sold at the listed price:

Advanced NMR Systems Inc.	400 shares purchased @ \$7/share & 300 shares @ \$6-3/4/share Sold 700 shares @ \$3-1/4/share Net loss = <u>\$2,846.00</u>
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Projectavision, Inc.	1000 shares purchased @ \$10-3/8/share Sold 1000 shares @ \$6-3/4/share Net loss = <u>\$4,019.00</u>
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Innova Group, Inc.	2500 purchased @ \$1.45/share Sold 2500 shares @ \$1.32/share Net loss = <u>\$349.00</u>
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Internat'l Std Grps, Ltd.	3000 shares purchased @ \$3.00/share Sold 3000 shares @ \$2-3/8/share Net loss = <u>\$2,099.00</u>
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The total net losses = \$9,313.00, plus interest paid for the margin account of \$252.60 totaling \$9,565.60.

Respondents filed no Statement of Answer.

RELIEF REQUESTED

Claimant requested damages in the amount of \$9,313.00, as a result of "losses," and \$252.60 in paid interest.

Respondents filed no Answer.

OTHER ISSUES CONSIDERED & DECIDED

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.

The Presiding Arbitrator exercised his jurisdiction pursuant to Section 12 of the NASD Code of Arbitration Procedure over Respondent J. Gregory (Attached as Exhibit A is the second notice and hearing information sent by certified mail). Therefore, Respondent J. Gregory is bound by the rulings and determinations of the Presiding Arbitrator.

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. No ruling or award against Mohammed Wasif due to unsuccessful service.
2. Respondent J. Gregory & Co., Inc. is liable to the Claimant for, and shall pay to Claimant the sum of \$3,699.75; no prejudgment interest is awarded on this amount.
3. Claimant's claim for interest paid on the margin account is denied in its entirety.

FORUM FEES

Pursuant to Section 43(c) of the Code of Arbitration Procedure, the NASD shall retain the \$200 hearing session deposit previously filed by Claimant.

DATED:

10/23/95


Arnald B. Crews, Esq., Presiding
Public Arbitrator

Date Award Served by the NASD:

October 24, 1995

National Association of Securities Dealers, Inc. * NASD Financial Center * 33 Whitehall Street * New York, NY 10004 * Fax 212-858-4429

Washington DC Satellite Office Located at: 1735 K Street * Washington, DC 20006 * Fax 202-728-8925

September 28, 1995

FILE COPY

Subject: NASD Arbitration Number 95-00640
Edsel Max Coble vs. J. Gregory & Co., Inc. and Mohammed Wasif

Dear :

Enclosed is an advance sheet setting forth the date, time and location of the upcoming arbitration hearing. This advance sheet identifies the participants in this proceeding and contains the names and affiliations of the arbitrators. Also enclosed is biographical information about the arbitrator(s). The appointment of the arbitrator(s) and the setting of the time, date and location of the hearing have been made in accordance with the NASD Code of Arbitration Procedure. A document explaining the procedure to be followed at the hearing is also enclosed. Also enclosed is a self-mailing evaluation form which we request that you use to evaluate the process. Please complete it, staple it and place it in the mail at the conclusion of the proceeding.

The parties and counsel are cautioned that no communication with the arbitrators pertaining to this proceeding is permitted except through the Arbitration Department.

If any party, counsel or representative believes that an arbitrator should be disqualified for any cause, please contact me immediately at DC/202-728-8958.

The parties or their counsel should prepare their materials before the hearing and prearrange their presentation to assure the availability of witnesses and evidence to avoid unnecessary delays during the hearing. Any questions concerning subpoenas or orders of production should be directed to me immediately.

All postponement requests are decided by the arbitrators. Even consensual requests for postponement must be submitted to the panel for decision. If you make a postponement request, do not release your witnesses until you are advised of the panel's decision. All postponement requests must be in writing and must set forth a specific emergency or court conflict. In the event of a court conflict, you must provide an Affidavit of Engagement, which includes: case name, docket number, presiding judge and court clerk's telephone number.

All postponement requests must also contain a list of at least four alternative hearing dates agreed to by all parties. The party requesting the postponement should contact the other parties or their representatives to determine at least four alternative dates when all parties and their witnesses will be available. If the arbitrators grant the postponement, they will attempt to use one of the agreed dates to reschedule the hearing.

All postponement requests must be accompanied by a check for the appropriate amount pursuant to Section 30(b) of the Code of Arbitration Procedure. If the request is denied, the fee will be returned. If the request is granted, the arbitrator(s) may assess the postponement fee in the final decision.

If you intend to present any documents as exhibits at the hearing, you should bring sufficient copies for the arbitrators as well as a copy for the NASD staff person and for each opposing party. To expedite the hearing, the parties should stipulate to the admission of exhibits prior to the hearing. Arrange all exhibits in numerical order, organize them for quick and efficient retrieval and compile a list that identifies each exhibit. We urge the parties to reduce the number of exhibits presented during the hearing by eliminating duplicate docu-

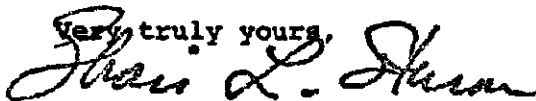
ments. Your compliance with these requests will minimize delay during the hearing. In addition, please refer to Section 32(c) of the Code concerning the required Pre-Hearing Exchange of Documents and Witness List. Parties should not send copies to the NASD of the documents exchanged pursuant to section 32(c).

Documentary Evidence or Hearing briefs will not be forwarded to the arbitrator(s) absent agreement of the parties and prior approval of the panel.

Any Claims, Answers, Counterclaims, Cross-Claims, and/or Third Party Claims previously submitted by a party have been forwarded to the panel and will be marked at the hearing as Arbitrators' Exhibit 1. Any attachments to those pleadings will be considered part of the Arbitrator(s)' Exhibit 1 and should not be offered as additional exhibits at the hearing. Attached is a list of the documents which will be included in Arbitrator(s)' Exhibit 1.

At the hearing, parties and/or counsel will be permitted to make an opening statement and present witnesses and proof in support of their position. Any party or witness testifying during the course of the proceeding shall be subject to examination by the other party, his counsel or representative. A closing statement will be permitted at the conclusion of the proceeding.

Any questions concerning this hearing should be promptly directed to the NASD Arbitration Department.

Very truly yours,


Shari L. Sturm, Esq.
Senior Attorney
DC/202-728-8958

SLS:LJ:LC19A
Enclosures

RECIPIENTS:

Patrick Mongno, J. Gregory & Co. Inc.

Is your RETURN ADDRESS completed on the reverse side?

SENDER:

- Complete items 1 and/or 2 for additional services.
- Complete items 3, 4a, and 4b.
- Print your name and address on the reverse of this form so that we can return this card to you.
- Attach this form to the front of the mailpiece, or on the back if space does not permit.
- Write "Return Receipt Requested" on the mailpiece below the article number.
- The Return Receipt will show to whom the article was delivered and the date.

I also wish to receive the following services (for an extra fee):

- 1. ☐ Addressee's Address
- 2. ☐ Restricted Delivery

Consult postmaster for fee.

Patrick Mongno
Neptune Orient Line
15 Exchange Place
Jersey City, NJ 07306

4a. Article Number

Z 288 238 457

4b. Service Type

- ☐ Registered
- ☐ Express Mail
- ☐ Return Receipt for Merchandise
- ☒ Certified
- ☐ Insured
- ☐ COD

7. Date of Delivery

9-28

5. Received By: (Print Name)

6. Signature: (Addressee or Agent)

M. Mongno

8. Addressee's Address (Only if requested and fee is paid)

PS Form 3811, December 1994

Domestic Return Receipt

Thank you for using Return Receipt Services.

Z 288 238 457



Receipt for Certified Mail

No Insurance Coverage Provided
Do not use for International Mail
(See Reverse)

PS Form 3800, March 1993

Sent to	
<i>Mongno</i>	
Street and No.	
P.O., State and ZIP Code	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to Whom & Date Delivered	
Return Receipt Showing to Whom, Date, and Addressee's Address	
TOTAL Postage & Fees	\$
Postmark or Date	
<i>9/28</i>	