

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Josephthal Lyon & Ross, Inc.

95-00732

Name of Respondent

Thomas Roskin

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on February 13, 1995, Claimant Josephthal Lyon & Ross, Inc. ("JLR"), through its representative and in-house counsel, Robert E. Murphy, Esq., located in New York, N.Y., alleged that Respondent Thomas Roskin ("Roskin"), breached his contractual obligations to reimburse JLR for money that it funded to an account managed by Roskin in satisfaction of a customer complaint. Claimant further alleged that on September 26, 1994, Roskin received an invitation to work for JLR after leaving David Blech & Co. ("Blech"). Claimant contended that on the same day, an account serviced by Roskin at Blech was moved to JLR. Claimant further contended that it received a customer complaint on September 26, 1994, alleging an unauthorized trade by Roskin on the account. Claimant alleged that at Roskin's request and in consideration for joining JLR, JLR funded the account in satisfaction of the customer complaint and Roskin acknowledged in writing responsibility for the "error" and agreed to incur "all the charges for the differences." Claimant contended that subsequently, Roskin determined not to become employed by JLR and has failed to repay JLR, and that as a result of the above, it has suffered a loss for which the Respondent should be held liable.

Respondent Thomas Roskin, through his representative, Steven Altman, Esq., of Ziegler, Ziegler & Altman, located in New York, N.Y., maintained that he is not liable to JLR for any amount because he never agreed to reimburse JLR for monies expended on the Blech account. Respondent further maintained that the written statement that he would incur charges relating to that account was provided to Blech under duress and without legal consideration. Respondent contended that the account error was due to an oversight by his assistant who failed to cancel the trade, and that as a result of the above, he should not be held liable.

RELIEF REQUESTED

Claimant Josephthal Lyon & Ross, Inc., requested \$6,125.00 in actual damages, plus interest, costs and \$2,000.00 in attorney's fees.

Respondent Thomas Roskin, requested that the claims of the Claimant be dismissed, plus costs and attorney's fees.

AWARD

Pursuant to Section 10 of the NASD, Inc. Code of Arbitration Procedure, a single Industry Arbitrator, Samuel P. Peluso, was selected to review the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimant Josephthal Lyon & Ross, Inc., on February 9, 1995, and by the Respondent Thomas Roskin, on June 12, 1995.

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. The claims of the Claimant Josephthal Lyon & Ross, Inc., against Respondent Thomas Roskin, are dismissed in their entirety.
2. The parties shall bear their respective costs.
3. The \$575.00 filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimant Josephthal Lyon & Ross, Inc., shall be retained by the NASD, Inc.

AFFIRMATION

STATE OF

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SS:

COUNTY OF

I, Samuel P. Peluso, 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.



Signature of Arbitrator

DATE OF DECISION: December 11, 1995