

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Frank Russo

95-00823

Name of Respondent

Greenway Capital Corp.

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on February 16, 1995 Claimant Frank Russo ("Claimant"), who appeared Pro Se, alleged that Respondent Greenway Capital Corp. ("Respondent") purchased securities for his account without his authorization. Claimant further alleged that his account executive, Gerald McNeil (McNeil), purchased 1,000 shares of Porter McLeod ("PM") although he had only authorized 500 shares. Claimant contended that he explained the problem to Respondent and after many conversations agreed to purchase 600 shares of PM. Claimant further contended that after many persistent phone calls from McNeil, he sold his PM stock and purchased 200 shares of Vertex. Claimant alleged that McNeil continued to make persistent phone calls to persuade him to purchase more shares of Vertex, and that on October 8, 1993, an unauthorized purchase of 300 additional shares of Vertex was made. Claimant contended that he has disputed this trade but nothing was done and as a result of Respondent's wrongdoing, he has suffered a loss for which it should be held liable.

Respondent Greenway Capital Corp. ("Respondent"), through its counsel, Ruthann G. Niosi, Esq., of New York City, New York, maintained that in September of 1993, Claimant purchased 200 shares of Vertex stock. Respondent further maintained that Claimant and McNeil had several phone conversations discussing developments in Vertex and that the share price was increasing. Respondent contended that Claimant authorized the purchase of 300 additional shares of Vertex and that he would cover the price by selling some shares he held at a different brokerage firm. Respondent further contended that Claimant signed an ACAT form to process the transfer, but it never received the stock and therefore had to liquidate his position. Respondent asserted that it committed no wrongdoing and therefore, it should not be held liable.

RELIEF REQUESTED

Claimant Frank Russo, requested \$10,000.00 in actual damages.

Respondent Greenway Capital Corp., requested that the claims of the Claimant be dismissed.

AWARD

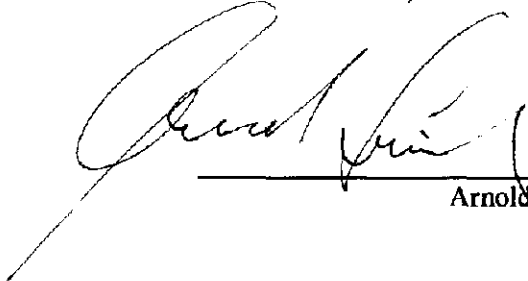
Pursuant to Section 13 of the NASD, Inc. Code of Arbitration Procedure, a single Public Arbitrator, Arnold Limsky, was selected to review the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimant Frank Russo on March 3, 1995 but not by the Respondent Greenway Capital Corp. as required by Sections 12 and 13 of the NASD 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. Respondent Greenway Capital Corp. is liable and shall pay to the Claimant Frank Russo \$4,408.25 in actual damages.
2. The parties shall bear their respective costs.
3. 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. Respondent Greenway Capital Corp. is liable and shall pay to Claimant \$150.00 as reimbursement of the filing fee.

AFFIRMATION

I, **ARNOLD LIMSKY**, 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.



Arnold Limsky

DATE OF DECISION: April 24, 1996