

Award
NASD Regulation, Inc.

In the Matter of the Arbitration Between:

Eileen and Barry Bachenheimer, (Claimants) vs. Hanover Sterling & Co., Ltd., Randy M. Ashenfarb, and James Crimi (Respondents).

Case Number: 95-01076

Hearing Site: New York, New York

REPRESENTATION OF PARTIES

For Claimants Eileen ("Eileen") and Barry ("Barry") Bachenheimer, "Claimants": Dan Druz, Esq., Manasquan, New Jersey.

For Respondent Hanover Sterling & Co., Ltd. ("Hanover"): Lowell C. Schatzer, New York, New York.

Respondent Randy M. Ashenfarb ("Ashenfarb") appeared *pro se*, Staten Island, New York.

For Respondent James Crimi ("Crimi"): Ruthann G. Niosi, Esq., New York, New York.

CASE INFORMATION

Statement of Claim filed on or about: April 4, 1995.

Eileen signed the Uniform Submission Agreement: February 27, 1995.

Barry signed the Uniform Submission Agreement: February 27, 1995.

Hanover did not file a properly executed Statement of Answer or a properly executed Uniform Submission Agreement.

Ashenfarb did not file a properly executed Statement of Answer or a properly executed Uniform Submission Agreement.

Statement of Answer filed by Crimi on or about: March 29, 1996.

Crimi did not file a properly executed Uniform Submission Agreement.

CASE SUMMARY

Claimants asserted the following cause of action: unauthorized trading.

Respondent Crimi denied in part the allegations made in the Statement of Claim and asserted the following defenses: Claimants Statement of Claim failed to state a cause of action and is estopped by the doctrine of unclean hands, and ratification.

RELIEF REQUESTED

Claimants requested:

Compensatory Damages	\$278,020.00
Punitive Damages	\$834,060.00

Respondent Crimi requested that Claimants' Statement of Claim be dismissed in its entirety.

OTHER ISSUES CONSIDERED AND DECIDED

Upon review of the file and the representations made on behalf of the Claimants, the undersigned arbitrators (the "Panel") determined that Respondent Ashenfarb has been properly served with the Statement of Claim and received due notice of the hearing, and that arbitration of the matter would proceed in accordance with the NASD Code of Arbitration Procedure (the "Code").

Respondent Ashenfarb did not file with the NASD Regulation, Inc. Office of Dispute Resolution a properly executed submission to arbitration but are required to submit to arbitration pursuant to the Code. Ashenfarb, having appeared and testified at the hearing, is bound by the determination of the Panel on all issues submitted.

The NASD was advised that Respondents Hanover and Crimi filed a Notice of Bankruptcy in the United States Bankruptcy Court. Pursuant to these filings, all matters concerning these parties were indefinitely stayed.

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.

AWARD

After considering the pleadings, the testimony and evidence presented at the hearing, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. Respondent Ashenfarb is hereby liable and shall pay to Claimants the amount of \$74,125.00 in compensatory damages.
2. The parties shall bear their costs and expenses, including attorney's fees.
3. All other requests are hereby denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Regulation, Inc. will retain or collect the non-refundable filing fees for each claim:

Initial claim filing fee	=	\$ 250.00
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Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firm that employed the associated persons at the time of the events giving rise to the dispute. In this matter, the member firm is a party.

Member surcharge	=	\$ 500.00 (waived)
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Adjournment Fees

Adjournments requested during these proceedings:

April 15, 1996, adjournment by Respondent Crimi	=	\$1,000.00 (waived)
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Forum Fees and Assessments

The Panel assessed forum fees for each hearing session conducted. A hearing session is any meeting between the parties and the arbitrators, including a pre-hearing conference with the arbitrators, that lasts four (4) hours or less. Fees associated with these proceedings are:

(2) Pre-hearing sessions with Panel x \$1,000.00	=	\$2,000.00
Pre-hearing conferences: January 29, 1999	1 session	
April 5, 1999	1 session	
Seven (7) Hearing sessions x \$1,000.00	=	\$7,000.00
Hearing Dates: August 24, 1999	- 2 sessions	
August 25, 1999	- 2 sessions	
August 26, 1999	- 2 sessions	
August 27, 1999	- 1 session (telephonic)	
Total Forum Fees	=	\$9,000.00

The Panel has assessed \$9,000.00 of the forum fees against Ashenfarb.

Fee Summary

1. Claimants be and hereby are jointly and severally liable for:

<u>Initial Filing Fee</u>	=	<u>\$ 250.00</u>
Total Fees	=	\$ 250.00
<u>Less payments</u>	=	<u>\$1,250.00</u>
The NASD Regulation, Inc. shall refund Claimants	=	\$1,000.00

2. Respondent Ashenfarb be and hereby is solely liable for:

<u>Forum Fees</u>	=	<u>\$9,000.00</u>
Balance Due NASD Regulation, Inc.	=	\$9,000.00

Concurring Arbitrators' Signatures

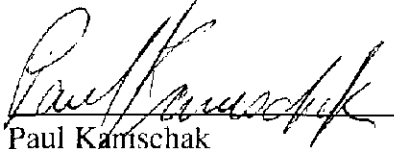
I, the undersigned arbitrator, do hereby affirm, pursuant to article 7505 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument which is my award.

Robert D. Herschman, Esq.
Public Arbitrator, Presiding Chair

Signature Date

Barry Feiden
Public Arbitrator

Signature Date


Paul Kamischak
Industry Arbitrator

9/13/99

Signature Date

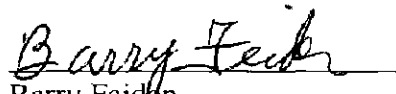
September 22, 1999
Date of Service (For NASD office use only)

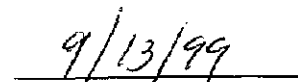
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