

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

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In the Matter of the Arbitration Between

Name of Claimant

Arthur Earl Masters Family Trust

95-03102

Name of Respondent

Mark Savoca

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**CASE SUMMARY**

In a claim filed with the National Association of Securities Dealers, Inc. on June 26, 1995, Claimant Arthur Earl Master Family Trust ("Claimant"), who appeared Pro Se through Arthur Earl Masters, alleged that he held an account with Hanover Sterling and Company, Ltd. ("Hanover") and that on October 30, 1994 Respondent Mark Savoca ("Respondent") of Hanover contacted him and persistently suggested he sell 1,000 shares of Physicians Computer Network, Inc. ("PCN") and buy 2,000 shares of Play Company Toys which he rejected. Claimant further alleged that on November 9, 1994 he contacted Hanover to determine the status of his account only to discover that Savoca had sold his 1,000 shares of PCN and used the proceeds to purchase 1,000 shares of Best Resources, Inc. ("BRI") for \$5,773.00 without authorization. Claimant also alleged that the shares of BRI quickly plummeted to a fraction of the purchase price. Claimant contended that he attempted to contact Hanover management about the sale/purchase but was unsuccessful in obtaining a positive response. Claimant further contended that he had difficulty in tracking the account because Hanover went out of business in early 1995 but in May 1995 he received notice from Lew Lieberbaum & Co., Inc. that his account had a value of \$640.00 in equity. Claimant also alleged that as a result of the above, he has suffered a loss for which the Respondent should be held liable.

Respondent Mark Savoca failed to file a Statement of Answer to the Statement of Claim.

**RELIEF REQUESTED**

Claimant Arthur Earl Masters Family Trust requested \$5,749.00 in actual damages.

Respondent Mark Savoca failed to file a Statement of Answer to the Statement of Claim.

**OTHER ISSUES CONSIDERED AND DECIDED**

Pursuant to Section 13 of the NASD Code of Arbitration Procedure, the Respondent Mark Savoca was sent the Statement of Claim through regular mail and was given an opportunity to respond which he failed to do. In addition, the notice of the identity of the arbitrator and an overdue answer notice were sent certified mail and the signature card was signed and is on file at the NASD.

In accordance with the by-laws of the NASD, the arbitrator determined that the Respondent Mark Savoca has notice of the proceeding, and is required to respond; and is, therefore, bound by the arbitrator's ruling and determination.

**AWARD**

Pursuant to Section 13 of the NASD, Inc. Code of Arbitration Procedure, a single Public Arbitrator, Robert G. Bailey, was selected to review the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimant on July 31, 1995 and not by the Respondent as is 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. The Respondent Mark Savoca is liable and shall pay to the Claimant Arthur Earl Masters Family Trust \$5,749.00
2. The Respondent Mark Savoca is liable and shall pay to the Claimant Arthur Earl Masters Family Trust simple interest at the rate of 10% per annum from November 1, 1994 to the date of payment of the award.
3. The parties shall bear their respective costs.
4. 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. The Respondent Mark Savoca is liable and shall pay to the Claimant Arthur Earl Masters Family Trust \$150.00 as reimbursement of the filing fee.

**AFFIRMATION**

I, **ROBERT G. BAILEY**, 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.

  
Robert G. Bailey

DATE OF DECISION: May 13, 1996