

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Lemon L. Denzer

95-03382

Name of Respondents

Andrew Antonucci
Vision Investments Group, Inc.
Northeast Securities, Inc.
Matthew J. Beaulieu
Korey K. Brown
Paul L. Caruso

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on July 14, 1995, Claimant Lemon L. Denzer ("Claimant"), who appeared Pro Se, alleged that Respondents Korey K. Brown ("Brown") and Vision Investments Group, Inc. ("VIGI"), on August 10, 1994 caused him to buy to his detriment 10,000 shares of Music Source, USA pursuant to investment advice proffered by Respondent Brown. Claimant further alleged that the confirmation ticket for the above transaction incorrectly listed Respondent Matthew Beaulieu as the broker and incorrectly marked the purchase as unsolicited, errors which he was unable to get corrected. Claimant contended that Respondent Andrew Antonucci ("Antonucci"), of VIGI, on November 4, 1994 caused him to purchase to his detriment 600 shares of Driving Image (c/b/a Zip, Inc.) at \$5.00 pursuant to unsolicited investment advice proffered by Antonucci in an unprofessional, pressure-selling tone. Claimant further contended that he contacted Antonucci in early 1995 because he got an account statement indicating that Driving Image had a balance of zero and Antonucci told him to hold it. Claimant alleged he contacted Respondent Paul Caruso, at VIGI, to get assistance with the above problems and was unable to get assistance from him. Claimant further alleged that from August 8, 1994 to date of filing, Respondents failed in their obligation to provide timely servicing of Claimant's brokerage account, generally conducting themselves in an unprofessional manner. Claimant contended that as a result of the above, he has suffered a loss for which the Respondents should be held liable.

Respondent Korey K. Brown, who appeared Pro Se, maintained that he was employed at VIGI as a stockbroker but merely acted under directions of Respondent Paul L. Caruso ("Caruso"), President of VIGI, making numerous cold calls including one to Claimant. Respondent further maintained that Caruso

had held a sales meeting two days before the sale to Claimant encouraging the sales of Music Source. Respondent contended that he received an order from Claimant for Music Source but since he was not registered in Wisconsin he gave Claimant's order to Respondent Beaulieu to complete. Respondent further contended that he never received any commissions for this order and that as a result of the above, he should not be held liable.

Respondent Matthew J. Beaulieu ("Beaulieu"), who appeared Pro Se, maintained that his entire involvement in this matter is based on a clerical error which placed his name on the confirmation slip for the disputed trade. Respondent further maintained he has no idea how his name got on the confirmation slip, and that as a result of the above, he should not be held liable.

Respondent Andrew Antonucci ("Antonucci"), who appeared Pro Se, maintained that the Claimant contacted him in September of 1994 and inquired about stock recommendations. Respondent further maintained that at a later date he contacted Claimant recommending Driving Image which was suitable because of the company's upside potential as of November, 1994, and Claimant's self professed desire to not invest any additional capital into the small company market at that date. Respondent Antonucci contended that Claimant authorized and ratified the proposed Driving Image investment and his sale of Music Source USA shares used to fund the investment. Respondent further contended he Antonucci contended that in November of 1994 he left his employ at VIGI and notified Claimant of his new employment at BG Capital Corp. Respondent maintained that Claimant did not transfer his account to BG Capital Corp. so he could not service Claimant's account. Respondent further maintained that as a result of the above, he should not be held liable.

Respondents Caruso and Vision Investments Group, Inc., through their representative, David Sayid, Esq., of Sayid and Associates, located in Hackensack, NY., maintained that both the Music Source, USA and Driving Image investments were transacted in a professional manner, and that Claimant voluntarily authorized and ratified both. Respondents Caruso and VIGI further maintained that Claimant states he purchased the security due to "great things going on with the company." Respondents contended that at best the alleged actions of the Respondent were mere puffery and are therefore, not actionable. Respondents further contended that Claimant did not in truth attempt to contact Respondents as he never specifically names persons contacted, and that Caruso has no record, written or verbal, of having been contacted by Claimant. Respondents Caruso and VIGI contended the Claimant's claims are inconsistent with his actions because if an account was constantly losing money, as Claimant alleges, reasonable actions would have been to stop trading or to inquire and freeze the account. Respondents further contended that as a result of the above, they should not be held liable.

Respondent Northeast Securities, Inc., through its representative, Charles M. O'Rourke, Esq., located in Hempstead, NY, maintained that none of the transactions complained of were executed by it. Respondent further maintained none of the registered representatives were ever registered by it except for Andrew Antonucci beginning February 21, 1995. Respondent contended that there is no reason to name it as a respondent since Claimant was never a customer of it. Respondent further contended that as a result of the above, it should not be held liable.

Claimant Lemon L. Denzer, contended that Northeast Securities, Inc. was aware of his complaints against Vision Investments as of March 13, and 14, of 1994 and gave him the "run around." Claimant further contended that he had an 800 phone number which was Vision Investments but was answered Northeast Securities, Inc. Claimant further alleged that Respondent Antonucci informed him that VIGI was changed to Northeast Securities, Inc., and that as a result of the above, it should be held liable.

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AFFIRMATION

I, **ROBERT J. SCAFURI, ESQ.**, 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.

A handwritten signature in cursive script, appearing to read "Robert J. Scafuri", is written over a horizontal line.

Signature of Arbitrator

DATE OF DECISION: January 29, 1996