

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimants

Peter S. and Margaret E. Copplestone

95-03766

Name of Respondent

L.C. Wegard & Co. Inc.

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on August 3, 1994, Claimants Peter S. and Margaret E. Copplestone ("Claimants"), who appeared Pro Se, alleged that Respondent L.C. Wegard & Co. Inc. ("LCWCI"), through its employee Anthony Pirozzi, made an unauthorized stock purchase of 1000 shares PDK Labs on June 28, 1994, and also failed to provide neither oral nor written disclosures regarding risks associated with said investment. Claimants further alleged that Respondent was unaware of the sale of 300,000 PDK shares by an LCWCI employee and a PDK Director, which in and of itself represents a violation of NASD Rules of Fair Practice. Claimants contended that Respondent, through its employee Lawrence Well, made an unauthorized stock purchase of 1000 shares Futurebiotics on February 21, 1995, and also recommended highly speculative investments that were unsuitable for Claimants' goal of long term, conservative investing. Claimants further contended that Respondent deliberately delayed the transfer of stock from the Claimants' account at LCWCI to their successor account at First Union from October 21, 1994 to April 2, 1995. Claimants alleged that as a result of the above, they have suffered a loss for which the Respondent should be held liable.

Respondent L.C. Wegard & Co. Inc., through its representative and compliance officer, William B. Erb, maintained that its employee Anthony Pirozzi acted in a responsible manner, made investment recommendations suitable for Claimants' financial status, investment experience, and objective of long term growth, and that all of the investments were approved and ratified by Claimants. Respondent further maintained that employee Lawrence Well acted in a responsible manner, making investment recommendations suitable for Claimants, but because of a miscommunication on February 21, 1995 purchased, and later cancelled, 1000 shares of Futurebiotics. Respondent contended that it was unaware of LCWCI employee and PDK Director Bernstein's sale of 300,000 shares of PDK Labs. Respondent further contended that all transactions undertaken on behalf of Claimants were in full compliance with Federal, State and Regulatory requirements, and full disclosures were made to Claimants for all such transactions. Respondent alleged that as a result of the above, it should not be held liable.

RELIEF REQUESTED

Claimants Peter S. and Margaret E. Copplestone, requested \$10,000.00 in actual damages.

Respondent L.C. Wegard & Co. Inc., requested that the claims of the Claimant be dismissed.

AWARD

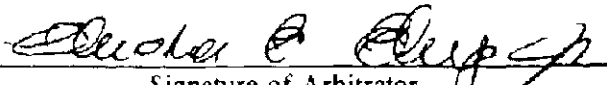
Pursuant to Section 13 of the NASD, Inc. Code of Arbitration Procedure, a single Public Arbitrator, Charles E. Eby, Jr., was selected to review the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimants Peter S. and Margaret E. Copplestone, on July 14, 1995, and by the Respondent L.C. Wegard & Co. Inc., on October 9, 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. Respondent L.C. Wegard & Co. Inc. is liable and shall pay to the Claimants Peter S. and Margaret E. Copplestone, \$10,000.00 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 Claimants Peter S. and Margaret E. Copplestone, shall be retained by the NASD, Inc. The Respondent L.C. Wegard & Co. Inc., is liable and shall pay to the Claimants Peter S. and Margaret E. Copplestone, \$150.00 as reimbursement of the filing fee.
4. All other relief requests are denied.

AFFIRMATION

I, CHARLES E. EBY, JR., 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: January 23, 1996