

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

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In the Matter of the Arbitration Between

Name of Claimant

David R. Dent

95-03877

Name of Respondent

Greenway Capital Corporation  
Michael J. Demaio  
Joseph M. Guccione

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**CASE SUMMARY**

In a claim filed with the National Association of Securities Dealers, Inc. on August 10, 1995, Claimant David R. Dent ("Claimant"), who appeared Pro Se, alleged that Respondent Greenway Capital Corporation ("GCC") through its representative, Respondent Mike Demaio ("Demaio"), strongly recommended that he purchase shares of Pacific Animated Imaging Corp. ("PAID") which he followed to his detriment. Claimant further alleged that Demaio told him that he knew the CEO of PAID and consequently was certain the stock was going to appreciate. Claimant contended that on February 17, 1994 Demaio strongly recommended that he purchase shares of IDC Holdings Ltd. ("IDCH"). Claimant further contended that he was told that IDCH had signed contracts which would make the stock appreciate but it fell in value. Claimant alleged that as a result of the above, he has suffered a loss for which the Respondents should be held liable.

Respondents Greenway Capital Corporation and Joseph M. Guccione ("Guccione") through their representative, Ruthann G. Niosi, Esq., located in New York, NY, maintained that Claimant is a sophisticated, experienced investor who, by his own admission, sought out the services of Greenway' brokers. Respondents further maintained that Claimant's account was opened with investment objectives of speculation and capital appreciation and represented substantial net worth. Respondents contended that Claimant consented to each transaction and did not file a complaint until after six months after the last transaction. Respondent further contended that as a result of the above, they should not be held liable.

Respondent Michael J. Demaio, who appeared Pro Se, maintained that Claimant contacted him about purchasing shares of PAID because of Claimant's relationship with the nephew of that corporation's CEO. Respondent further maintained that he did not attempt to convince Claimant to purchase PAID as he had already decided to do so. Respondent contended that he recommended IDCH after Claimant inquired about investment possibilities. Respondent further contended that Claimant was provided with information about IDCH after which he agreed to make his purchases. Respondent maintained that as a result of the above, he should not be held liable.

**RELIEF REQUESTED**

Claimant David R. Dent requested \$10,000.00 in actual damages.

Respondents Greenway Capital Corporation, Mike Demaio and Joseph Guccione requested that the claims of the Claimant be dismissed.

**OTHER ISSUES CONSIDERED AND DECIDED**

The arbitrator considered and reviewed all documentation submitted by the parties concerning Respondents' Motion To Dismiss Respondent Joseph Guccione as he is not a party in interest. The arbitrator granted the Motion.

**AWARD**

Pursuant to Section 13 of the NASD, Inc. Code of Arbitration Procedure, a single Public Arbitrator, Roger A. Kirschenbaum, Esq., was selected to review the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimant on August 7, 1995, and by the Respondent Michael J. Demaio on December 6, 1995, but not by Respondents Greenway Capital Corporation and Joseph M. Guccione 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 claims of the Claimant David R. Dent against Respondents Greenway Capital Corporation and Michael J. Demaio are denied in their entirety.
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. The Respondents Greenway Capital Corporation and Michael J. Demaio shall pay to the Claimant David R. Dent \$75.00 as reimbursement of one-half of the filing fee.

**AFFIRMATION**

I, **ROGER A. KIRSCHENBAUM, 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.

  
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Roger A. Kirschenbaum, Esq.

DATE OF DECISION: April 8, 1996