

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Edward F. Elordi

95-04035

Name of Respondent

James J. Crimi

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on August 2, 1995, Claimant Edward F. Elordi ("Claimant"), who appeared Pro Se, alleged that Respondent James J. Crimi ("Respondent"), called him on November 1, 1994 recommending that he purchase shares of PCNI which he followed. Claimant further alleged he was contacted by Respondent about two weeks later and was convinced to purchase shares of All Pro Products because Respondent told him there was little if any down side risk. Claimant contended that he received his first account statement in January which reflected significant loss in the stock value and that Respondent reassured him that the price would recover. Claimant further contended Respondent contacted him on February 25, 1995 and told him that the stocks were worth almost nothing and that Hanover-Sterling and Adler Coleman were out of business. Claimant alleged that as a result of the above he has suffered a loss for which the Respondent should be held liable.

Respondent James J. Crimi, who appeared Pro Se, maintained that he contacted Claimant on October 26, 1994 after getting his name from a lead company that specializes in active investors who generally maintain \$250,000.00 to \$500,000.00 in the market. Respondent further maintained that he recommended Physicians Computer Network, Inc. ("PCNI") to Claimant and fully disclosed the potentially high risks associated with the investment which appeared to motivate a purchase. Respondent contended that because of PCNI's performance Claimant purchased 1,000 shares of All Pro Products, Inc. Respondent further contended Claimant wanted to be out of the stock within 45 days and that he informed Claimant that it would take about 7 months to get his profit. Respondent maintained that Claimant did not contact him until 75 days after the trade which was well beyond Claimant's alleged 45 day time frame. Respondent further maintained that as a result of the above, he should not be held liable.

RELIEF REQUESTED

Claimant Edward F. Elordi, requested \$10,000.00 in actual damages.

Respondent James J. Crimi, 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, Peter R. Boutin, Esq., was selected to review the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimant Edward F. Elordi, on August 18, 1995, and by the Respondent James J. Crimi, on November 20, 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. The Respondent James J. Crimi, is liable and shall pay to the Claimant Edward F. Elordi, \$5,000.00 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 Claimant Edward F. Elordi, shall be retained by the NASD, Inc. The Respondent James J. Crimi, is liable and shall pay to the Claimant Edward F. Elordi, \$75.00 as reimbursement of one-half of the filing fee.
4. All other relief requests are denied.

AFFIRMATION

I, PETER R. BOUTIN, 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.


Peter R. Boutin, Esq.

DATE OF DECISION: January 23, 1996