

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

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In the Matter of the Arbitration Between

Name of Claimant(s)

Conrad C. and Eileen A. De Leeuw

95-04040

Name of Respondent(s)

Keith E. Berenger  
Stratton Oakmont Inc.

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CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on August 22, 1995, Claimants Conrad C. and Eileen A. DeLeeuw, who appeared Pro Se, alleged that Respondent Keith E. Berenger and Eileen A. DeLeeuw of the Respondent firm, Stratton Oakmont Inc. convinced them to purchase 1,000 shares of Select Media Communications stock, by his persistence and "boiler room" tactics. The Claimants further alleged that shortly after the purchase, they were informed of liquidation of the clearing agent, Adler, Coleman, and the purchase, if after questioning this, were told they could not sell their shares, because everything was "on hold". The Claimants asserted that due to the wrongdoing of these Respondents, they have suffered damages that have hurt their financial well-being, and that therefore, the Respondents should be held liable in this matter.

Respondents Stratton Oakmont Inc. and Keith E. Berenger, through their representative and counsel, Gregg R. Evangelist, Esq. of Ormiston & Evangelist, Jericho, NY, maintained that Claimants knowingly entered into and authorized each and every trade in their account, that they fully understood and realized the market risks relative to speculative investment activities, and that they knowingly invested in speculative and high risk, short term trades. The Respondents also maintained that Claimants voluntarily and with full disclosure opened an account to trade in speculative and growth securities, and that they indicated they had significant financial means to bear losses incurred. The Respondents contended that they committed no wrongdoing, and therefore, the claims of the Claimants should be dismissed.

RELIEF REQUESTED

Claimants Conrad C. and Eileen A. DeLeeuw requested \$7,010.00 in actual damages, plus interest and return of the NASD filing fee.

Respondents Stratton Oakmont Inc. and Keith E. Berenger requested that the claims of the Claimants be dismissed.

**AWARD**

Pursuant to Section 13 of the NASD, Inc. Code of Arbitration Procedure, a single Public Arbitrator, Kenneth M. Felder, was selected to review the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimants on August 31, 1995 and by the Respondent Stratton Oakmont Inc. on November 8, 1995 and Respondent Keith E. Berenger on November 10, 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 Stratton Oakmont Inc. is liable and shall pay to Claimants Conrad C. and Eileen A. DeLeeuw \$234.50 in actual damages.
2. Respondent Keith E. Berenger is liable and shall pay to Claimants Conrad C. and Eileen A. DeLeeuw \$234.50 in actual damages.
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 parties... The \$150.00... of Securiti... NASD, Inc.

On August 12, 1995, the Claimants... Respondent Keith E. Berenger... The Claimants further... The Claimants... everything was... they have... should be... and that therefore, the... should...

**AFFIRMATION**

STATE OF *New York.*

} ss:  
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COUNTY OF *Westchester*

I, *KENNETH M. FELDER*, 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.

*Kenneth M. Felder*  
Signature of Arbitrator

DATE OF DECISION:

February 22, 1996