

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimants

Jerry and Linda Kasinger

95-04214

Name of Respondent

First Hanover Securities, Inc.

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on September 5, 1995, Claimants Jerry and Linda Kasinger ("Claimants"), who appeared Pro Se, alleged that Respondent First Hanover Securities, Inc. ("Respondent"), over the period extending from January 10, 1994 through September 1, 1994, misrepresented information concerning commissions on proposed investments. Claimants further alleged that Respondent, sold them 200 shares of ACC Corp. on October 21, 1993 which were sold on January 10, 1994 at which time 1,000 shares of Producers Entertainment Group ("PEC") were purchased. Claimants contended that they were assessed a sales charge on the ACC Corp. sale and the PEC purchase despite being told there would be no sales charge because of the loss associated with ACC Corp. Claimants further contended that Anthony Barbera from First Hanover Securities, Inc., contacted them on July 20, 1994 telling them to sell PEC and to purchase Creative Learning Products ("CLP") to which they objected and instructed him to sell PEC and purchase Western Micro. Claimants alleged that Respondent purchased CLP not Western Micro in disregard to their instructions. Claimants further alleged they complained to Respondent about the unauthorized trade and on August 11, 1994 the CLP shares were sold and 500 Western Micro shares were purchased which was 100 shares more than Claimants wanted. Claimants contended that as a result of the above, they have suffered loss for which Respondent should be held liable.

Respondent First Hanover Securities, Inc., through its representative and in-house counsel Charles M. O'Rourke, Esq., of Hempstead, NY, maintained that Claimants were never promised a flat \$10.00 processing fee per trade by Respondent or representatives thereof. Respondent further maintained that all transaction fees charged Claimants, were clearly disclosed and reasonable within industry and regulatory guidelines. Respondent contended that its registered representatives for the transactions in question, denied in writing all allegations of unauthorized trading in the account of Claimants. Respondent contended that as a result of the above, it should not be held liable.

RELIEF REQUESTED

Claimants Jerry and Linda Kasinger, requested \$1,200.00 in actual damages plus punitive damages.

Respondent First Hanover Securities, Inc., requested that the claims of the Claimant be dismissed in its entirety.

AWARD

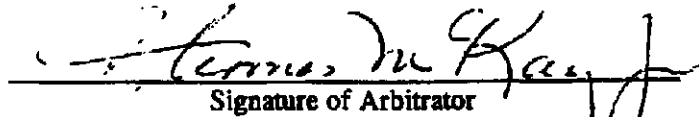
Pursuant to Section 13 of the NASD, Inc. Code of Arbitration Procedure, a single Public Arbitrator, Thomas McKay, Jr., Esq., was selected to review the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimants Jerry and Linda Kasinger, on September 13, 1995, and by the Respondent First Hanover Securities, Inc., on October 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. The Respondent First Hanover Securities, Inc., is liable and shall pay to the Claimants Jerry and Linda Kasinger, \$870.00 in actual damages.
2. The parties shall bear their respective costs.
3. The \$50.00 filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimants Jerry and Linda Kasinger, shall be retained by the NASD, Inc. The Respondent First Hanover Securities, Inc. is liable, and shall pay to the Claimants Jerry and Linda Kasinger, \$50.00 as reimbursement for the filing fee.
4. All other relief requests are denied.

AFFIRMATION

I, THOMAS MCKAY, JR., 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.


Signature of Arbitrator

DATE OF DECISION: January 12, 1996