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N.A.S.D. AWARD

9607025
NATIONAL, ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Norman Lebedin

9504277

Name of Respondents

*Eric Pereman
Christian T. Rizzo
Martin Berk

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Securities Dealers, Inc.

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CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on September 7, 1995, Claimant Norman Lebedin ("Claimant"), who appeared Pro Se, alleged that Respondents Eric Pereman ("Pereman"), Martin Berk ("Berk"), and Christian T. Rizzo ("Rizzo") of Barrett Day Securities failed to timely execute a sell order. Claimant further alleged that between January 31, 1994, and June 10, 1994, he bought 2,000 shares of Tera West Ventures, whose name has been changed to Diversified Med Group ("ADGI"). Claimant contended that he bought these shares through a telephone solicitation by Eric Pereman, an employee of Barrett Day Securities. Claimant further contended that he paid a total of \$16573.00 for these shares. Claimant asserted that when the value of the stock began to decline in September and October of 1994, he ordered a sale of the stock through Barrett. Claimant asserted that the Respondents failed to timely execute his sell order and that 1,540 shares of ADGI were sold at \$8,762.25. Claimant further asserted that the remaining 460 shares which he had originally purchased were unaccounted for. Claimant alleged that because of the Respondents' wrongdoing, he has suffered damages for which Respondents should be held liable.

Respondent Eric Pereman, who appeared Pro Se, maintained in his Answer that he executed four buys for Claimant between January and June of 1994, and that after every transaction, the stock appreciated in value. Claimant alleged that when the stock began to decline, he and the Claimant discussed the possibility of selling the stock. Pereman further alleged that he encouraged the Claimant not to sell because it was his opinion that the decline was due to profit taking. Respondent maintained that when the stock continued to decline, the Claimant called again with a request to sell the stock and this request was immediately honored. Pereman further maintained that Claimant could obtain the money owed him by contacting J.B. Oxford, the clearing house for Barrett, and further that the clearing house retained the 460 shares in dispute, probably because Claimant did not submit a W-9 form. Pereman reasserted that he was guilty of no wrongdoing in the transaction and requested that the claims against him should be dismissed.

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Respondent Martin Berk, who appeared Pro Se, maintained in his Answer that he was the Compliance Officer at Barrett at the time Pereman and Rizzo handled Claimant's account. Respondent further maintained that he did not know anything of the case, nor was he aware of the facts that precipitated the dispute. Berk alleged that it was his belief that he was named as a Respondent simply because he was a compliance officer at Barrett at the time the transactions occurred. Berk further alleged that he had committed no wrongdoing and requested that the claims against him be dismissed.

Respondent Christian T. Rizzo stated that he did not know the Claimant or the details of his account and requested a clarification of the Statement of Claim.

In a Response to Respondent's Rizzo request for clarification of the Statement of Claim, Claimant maintained that after Pereman left Barrett's employment, Rizzo **called** Claimant and told him that he was handling his account. Claimant further maintained that he told Rizzo that he had instructed Pereman to sell his stock and send him the proceeds from the sale. Claimant alleged that Rizzo said that he would follow up to insure that the stock had been sold. Claimant further alleged that Rizzo never contacted him again.

In a Response to Respondent Peremen's Answer, Claimant reasserted that his request to sell his stock was not honored. Respondent maintained that on November 28, 1995, he ordered J.B. Oxford to sell the 1,460 shares left in his name. Claimant further maintained that he received \$391.00 from this sale, representing a loss of \$16,182.00 from the original investment. Claimant alleged that J.B. Oxford did not have the additional shares, and that if a W-9 form was required, Peremen was negligent in not informing him that the form needed to be filed. Claimant further alleged that Peremen used pressure tactics in encouraging Claimant to purchase the stock.

RELIEF REQUESTED

Claimant Norman Lebedin requested \$10,000.00 in actual damages.

Respondent Eric Peremen requested that the claims of the Claimant be dismissed.

Respondent Martin Berk requested that the claims of the Claimant be dismissed.

Respondent Christian T. Rizzo failed to submit an Answer to the Statement of Claim.

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AWARD

Pursuant to Section 13 of the NASD, Inc. Code of Arbitration Procedure, a single Public Arbitrator, Joel S. Arogeti, Esq., was selected to review the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimant Norman Lebedin on November 17, 1995 but not signed by Respondent Eric Peremen, Respondent Martin Berk, and Respondent Christian T. Rizzo, as 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. Respondent Eric Pereman is liable and shall pay to Claimant Norman Lebedin **\$2,760.00** in actual damages.
2. The claims of Claimant Norman Lebedin against Respondent Martin Berk and Respondent Christian T. Rizzo are dismissed in their entirety.
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 Norman Lebedin, shall be retained by the NASD, Inc. Respondent Eric Pereman is liable and shall pay to Claimant \$150.00 as reimbursement of the filing fee.

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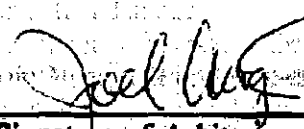
AFFIRMATION

STATE OF Florida

} ss:
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COUNTY OF Fulton

I, Jose Lopez, 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: July 2, 1996