

9609168

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF **SECURITIES** DEALERS

In the Matter of Arbitration Between

Name of Claimant

Avi Weiner

v.

95-04659

Name of Respondents

M. Rimson & Co., Inc.
Alex Schindman
Edward Weisman

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Securities Dealers, Inc.

1996

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REPRESENTATION

For Claimant, Avi Weiner, appeared William Greenberg, Esq., a sole practitioner, located in White Plains, New York.

For Respondents, M. Rimson & Co., Inc., Edward Weisman, and Alex Schindman did not appear at the evidentiary hearing conducted in this matter.

CASE INFORMATION

Statement of Claim filed: September 29, 1995

Claimant's Submission Agreement signed on: September 29, 1995

Respondents, M. Rimson & Co., Inc., Edward Weisman, and Alex Schindman, did not file a Statement of Answer nor did they execute a Submission Agreement as required by Section 25(b) of the NASD Code of Arbitration Procedure.

HEARING INFORMATION

Hearing dates/sessions: May 6, 1996 (1 Sessions)

The hearings were held at the offices of the National Association of Securities Dealers, Inc. located in New York City, New York.

SASIM M A R Y

Claimant alleged that on or about March 14, 1995, Respondent, Alex Schindman ("Schindman"), a broker employed by Respondent, M. Rimson & Co., Inc. ("Rimson"), contacted him and convinced him to purchase 400 shares of Twilight Productions ("Twilight") at \$7.50, based on the representation that the stock was going to double in value due to the company's imminent acquisition by a Hollywood production company. Claimant further alleged that on June 15, 1995, Schindman contacted him and stated that Twilight was at \$9.50 a share and convinced Claimant to purchase 600 additional shares. Claimant also alleged on June 30, 1995, Schindman again contacted him and strongly promoted Twilight as a safe investment and convinced Claimant to purchase an additional 250 shares.

Claimant alleged that on or about July 17, 1995, Respondent, Edward Weisman, another Rimson broker, contacted him and told him he had 20,000 shares of Twilight, currently selling at \$11.50 per share, which he would sell to Claimant for 9.50 a share, guaranteeing a \$2.00 per share profit. Claimant alleged that Weisman promised to sell the stock in order to and realize the profit once Claimant sent the check to cover the purchase. Claimant alleged that he sent the check to Weisman the same day via Federal Express. Claimant further alleged that three days later he asked to have 1,250 shares of Twilight sold and insisted on the sale even though Weisman strongly recommended against it.

Claimant alleged that on August 2, 3 and 4, 1995, he made several unsuccessful attempts to contact Schindman and Weisman to ascertain the status of the sell order on Twilight. Claimant further alleged that on August 4, 1995 after many attempts to reach Schindman and Weisman, he contacted counsel to intervene on his behalf.

RELIEF REQUESTED

Claimant requested damages in the amount of \$24,000.00. In addition, Claimant requested \$20,000.00 in punitive damages, costs, disbursements, and attorney's fees.

OTHER ISSUES CONSIDERED AND DECIDED

1. The arbitration panel made the following rulings concerning Respondents, M. Rimson & Co., Inc., Alex Schindman and Edward Weisman, who failed to appear at the evidentiary hearing conducted in this matter:
 - a. Pursuant to Section 1 of the NASD Code of Arbitration Procedure, the panel found subject matter jurisdiction over this entire controversy.
 - b. The panel found that the Respondents, M. Rimson & Co., Inc., Edward Weisman and Alex Schindman, were members of the NASD at the time the controversy arose. Consequently, the panel found personal jurisdiction over the Respondents, M. Rimson & Co., Inc., Edward Weisman and Alex Schindman, pursuant to

Section 12 of the NASD Code of Arbitration Procedure.

- c. In addition, in accordance with Sections 21, 26 and 29 of the NASD Code of Arbitration Procedure, the panel found that the NASD provided Respondents, M. Rimson & Co., Inc., Edward Weisman and Alex Schindman, with "due notice" of the hearing conducted in this matter by regular and certified mail. The panel, therefore, determined to proceed with the hearing without Respondents, M. Rimson & Co., Inc., Edward Weisman and Alex Schindman, whose absence was unexcused.
2. The parties have agreed that the Award in this matter may be executed in counterpart copies or that a handwritten, signed Award may be entered. In either case, the parties have agreed to receive conformed copies of the Award while the originals remain on file with the NASD.

AWARD

After considering the pleadings, the testimony and the evidence presented at the hearing, the undersigned arbitrators have decided in full and final resolution of the issues submitted for determination as follows:

1. Respondents, M. Rimson & Co., Inc., and Alex Schindman, are liable, jointly and severally, and shall pay to the Claimant, Avi Weiner, M.D., the sum of \$20,886.50 in actual damages;
2. Respondents, M. Rimson & Co., Inc., and Alex Schindman, are liable, jointly and severally, and shall pay to the Claimant, Avi Weiner, M.D., the sum of \$20,000.00 in punitive damages;
3. Respondents, M. Rimson & Co., Inc., and Alex Schindman, are liable, jointly and severally, and shall pay to the Claimant, Avi Weiner, M.D., the sum of \$2,400.00 in attorneys' fees;
4. All claims against Respondent, Edward Weisman, are denied in their entirety;
5. Respondents, M. Rimson & Co., Inc., and Alex Schindman, are liable, jointly and severally, and shall pay to the Claimant, Avi Weiner, M.D., the sum of \$500.00 as reimbursement for the hearing session paid by the Claimant; and,
5. All other requests for relief are denied.

FORUM FEES

Pursuant to Section 43(c) of the Code of Arbitration Procedure, the arbitrators have assessed the following forum fees:

Total Forum Fees: \$500.00 (1 Session x \$500)

- 1) Respondents, M. Rimson & Co., Inc., and Alex Schindman, are assessed, jointly and severally, the sum of \$500.00 representing total forum fees due, less \$500.00 paid to the Claimant, leaving \$0.00 due.

Fees are payable to the National Association of Securities Dealers, Inc.

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ARBITRATORS' SIGNATURES



Sheldon M. Finkelstein, Esq
Public Chairperson

Robert S. Chabon
Public Arbitrator

C. Anthony Bell
Industry Arbitrator

Date Of decision: September 25, 1996

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I, Sheldon M. Finkelstein, Esq., do hereby affirm, pursuant to Article 7505 of the Civil Practice Law and Rules, that this is my decision in the above captioned matter.


Sheldon M. Finkelstein, Esq.

I, Robert S. Chabon, do hereby affirm, pursuant to Article 7505 of the Civil Practice Law and Rules, that this is my decision in the above captioned matter.

Robert S. Chabon

I, C. Anthony Bell, do hereby affirm, pursuant to Article 7505 of the Civil Practice Law and Rules, that this is my decision in the above captioned matter.

C. Anthony Bell

NASD Date of Decision: September 25, 1996

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ARBITRATORS' SIGNATURES

Sheldon M. Finkelstein, Esq
Public Chairperson



Robert S. Chabon
Public Arbitrator

Public Arbitrator

C. Anthony Bell
Industry Arbitrator

Date of decision: September 25, 1996

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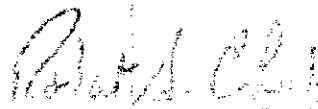
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Sheldon M. Finkelstein, Esq.

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Robert S. Chabon



I, C. Anthony Bell, do hereby affirm, pursuant to Article 7505 of the Civil Practice Law and Rules, that this is my decision in the above captioned matter.

C. Anthony Bell

NASD Date of Decision: September 25, 1996

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C. Anthony Bell
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