

NATIONAL ASSOCIATION OF **SECURITIES** DEALERS

In the ~~Matter~~ of the Arbitration ~~Between~~

Name of Claimant

Raymond DeRobbio

95-04685

Name of Respondents

Alden capital Markets, Inc.
Robert Thayer
Alfred Salazar

REPRESENTATION

For Claimant ~~appeared~~ *Morgan Bentley*, Esq. a sole practitioner of Newark, New Jersey.

For Respondents Alden Capital Markets, Inc., ~~Robert Thayer~~, and Alfred ~~Salazar~~ ~~appeared~~ *Martin Berliner*, Esq. of Berliner, Zisser, Walter & Gallegos, P.C. located in Denver, CO ~~Martin Berliner~~, Esq.

CASE INFORMATION

The Statement of Claim was filed on October 2, 1995. An Amended Statement of Claim was filed February 28, 1996. Claimant's Submission Agreement was signed on September 26, 1995. ~~February 28, 1996~~

A Joint Statement of Answer was filed by Respondents on February 16, 1996. Respondent ~~Salazar's~~ Submission Agreement was signed on November 8, 1995. Respondent ~~Robert Thayer's~~ Submission agreement was signed on November 8, 1995. Respondent Alden Capital's Submission Agreement was signed on November 8, 1995.

HEARING INFORMATION

Pre-Hearing Conference:	March 4, 1996	1 Session
Hearing Da&Sessions:	July 31, 1996	2 Session
	August 1, 1996	1 Session

The Hearing was held at the NASD Offices located in New York, New York.

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CASE SUMMARY

Claimant alleged that after discussion with the parties, on May 5, 1995, claimant would receive a fee and compensation for his services regarding a LaCrosse, Wisconsin bond issue. Claimant alleged that the payment to him would be the interest on certain tax free bonds and that these bonds were to be held by claimant for a period of three years with claimant entitled to receive the interest coupon payments. Claimant asserted that the bonds delivered to him, pursuant to the agreement, were restricted and non-transferable and therefore the agreement was breached by respondents.

Claimant contended that after May 5, 1995, in order to remedy the problem, respondents agreed with claimant to honor the original agreement with payment by the interest coupons on a bond in the amount of \$150,000. Claimant further contended that based on these representations he debited an Alden account at H.J. Meyers, claimant's employer, in the amount of \$41,625. Claimant stated that respondents have failed to honor the agreements and he has been charged by H.J. Meyers with the \$41,625 debit and the margin interest accruing therein.

Claimant argued that he has made oral and written demands for payment and those demands remain unsatisfied.

Claimant, by an amended Statement of Claim, named Alden Group, Inc as a respondent pursuant to an assignment by H.J. Meyers to him of any of their claims arising out of these transactions. Claimant alleged that Alden Group, Inc. is an entity affiliated with Alden Capital Markets and is controlled by Salazar and Thayer and he repeated and realleged the claims in the initial claim.

Respondents Alden Capital Markets, Inc, Thayer and Salazar alleged that Alden Capital Markets, Inc, while a member of the NASD is not a proper party since there are no allegations asserted against them in the Statement of Claim. Respondents further alleged that the repurchase agreement was signed by claimant as a representative of H.J. Meyers, Inc and therefore he has no standing to bring this claim because he is not a proper party in interest.

Respondents maintained that in the spring of 1995 claimant introduced Williams Ayers to Alden Group as a potential buyer of the LaCrosse bonds in which Alden Group had an economic interest. Respondents stated that Ayer purchased a \$300,000 bond and that was effected through H.J. Meyers as a broker-dealer. Respondents claimed that subsequent to Ayer's purchase, claimant requested compensation for the introduction. Respondents stated that on May 5, 1995 Alden Group and claimant entered into an agreement by which claimant would receive the interest coupon on a \$150,000 bond which was transferred to H.J. Meyers and could be re-registered with the Bonds' Trustee. Respondents believed that the bonds were put into claimant's personal account. Respondents contended that the Trustee informed H.J. Meyers that the bonds could not be re-registered since approval from the City of LaCrosse was needed and

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could not be obtained. Respondents further **contended** that claimant was fully aware of the **restrictions on the bonds** since not only was it **prominently** placed on the **bond** but claimant had sold more than **\$6,000,000** in face amount of the bonds.

RELIEF REQUESTED

Claimant requested \$45,000.00 for fees and **compensation**, interest, **attorney's** fees and punitive damages.

Respondents requested that the Statement of **Claim** be dismissed and **further relief** as the panel deems warranted.

OTHER ISSUES CONSIDERED & DECIDED

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**.

On February 23, 1996, claimant **requested** leave to amend the **Statement of Claim** in order to add Alden Group as a respondent to this **arbitration**. The **panel ruled** that they did not have jurisdiction over Alden group because a customer agreement **with** a member can **not** be assigned without the customer's consent. **Therefore** all claims **against** Alden Group, Inc. **are** dismissed **without prejudice**.

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. **All claims** asserted by claimant DeRobbio are hereby denied.
2. **All other claims** are hereby denied.
3. **Each party shall bear** their own costs.

FORUM FEES

Pursuant to Section 44c of the Code of Arbitration **Procedure**, the arbitrators have determined that the **NASD shall** retain the \$500.00 non-refundable **filing fee** submitted by claimant and have assessed the following forum fees:

1 Prehearing Conference	\$ 300.00
3 Hearing Sessions x \$600.00=	\$1,800.00

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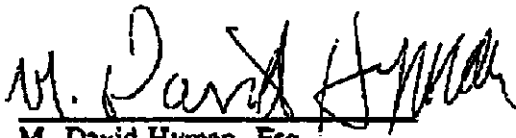
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Total Forum Fees=	\$2,100.00
Less Claimant's hearing session deposit	\$ 600.00
Total Outstanding =	\$1,500.00

The arbitrators have determined to assess the entire cost of this arbitration against claimant. Therefore, claimant be and hereby is liable and shall pay to the NASD the sum of \$1,500.00 which represents the total outstanding forum fees.

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

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ARBITRATORS' SIGNATURES

M. David Hyman, Esq.
Industry Chairperson

R. Keith Butterfield
Industry Panelist

Date of Decision: September 23, 1996

Harry Aronson
Industry Panelist

I, M. David Hyman, Esq., do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein, and who executed this instrument which is my award.



M. David Hyman, Esq.

ARBITRATORS' SIGNATURES

M. David Hyman, Esq.
Industry Chairperson


R. Keith Butterfield
Industry Panelist

Date of Decision: September 23, 1996

Harry Aronson
Industry Panelist

Industry Panelist

I, R. Keith Butterfield, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein, and who executed this instrument which is my award.


R. Keith Butterfield

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ARBITRATORS' SIGNATURES

M. David Hyman, Esq.
Industry Chairperson

R. Keith Butterfield
Industry Panelist

Date of Decision: September 23, 1996

Harry Aronsohn
Harry Aronsohn
Industry Panelist

dt
Industry Panelist

I, Harry Aronsohn, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein, and who executed this instrument which is my award.

Harry Aronsohn
Harry Aronsohn
RECIPIENTS:

M. David Hyman, Esq.
Harry Aronsohn
R. Keith Butterfield

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