

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

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In the Matter of the Arbitration Between

Name of Claimant

Joseph A. Calabrese

96-00105

Name of Respondents

Moshe Rimson  
Alex Shindman  
M. Rimson & Co., Inc.

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CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on January 10, 1996, Claimant Joseph A. Calabrese ("Claimant"), who appeared Pro Se, alleged that Respondents Moshe Rimson ("Rimson"), M. Rimson & Co., Inc. ("Rimson Co"), and Alex Shindman ("Shindman") provided misleading information as well as omitted the information which pertained to his purchase of Twilight Production, Inc. stock. Claimant further alleged that Shindman contacted him and asked him to purchase Twilight Production, Inc. because it was an excellent investment opportunity because the value of the stock is expected to rise to \$15.00 within 60 days and the value of securities would increase to \$20 - \$22.00 within 6 months. Claimant asserted that Respondents informed him that the increase of the stock is expected as a result of a film sold to a major film studio and that the stock is about to be listed on the NASDAQ Exchange. Claimant further asserted that he purchased Twilight at \$9 3/4 per share with a "stop loss" at \$8.00 per share and purchased Biotechnology Tools, Inc. at \$4.00 per share because Shindman promised that the value was \$5.00. Claimant contended that he tried to reach Shindman for weeks but received no answer on his stock value until finally the reply came in that Twilight was at \$2.00 and the selling price for Biotechnology was \$.75 per share. Claimant further contended that he immediately asked to sell the securities and was deceived because he had placed a loss stop at \$8.00 which Respondents never activated nor explained why it was not done. Claimant alleged that Shindman never disclosed the true selling price of Biotechnology and as a result of the above, he has suffered damages for which the Respondents should be held liable.

Respondent Moshe Rimson, Alex Shindman and M. Rimson & Co., Inc. failed to file Answers to the Statement of Claim.

### **RELIEF REQUESTED**

Claimant Joseph A. Calabrese, requested \$10,000.00 in actual damages.

Respondents Moshe Rimson, Alex Shindman and M. Rimson & Co., Inc. failed to file an Answer to the Statement of Claim.

### **OTHER ISSUES CONSIDERED AND DECIDED**

In accordance with Section 13 of the NASD Code of Arbitration Procedure, Respondents Moshe Rimson, Alex Shindman and M. Rimson & Co., Inc. were served by regular mail and given an opportunity to respond, which they failed to do.

Pursuant to the By-laws of the NASD, the Arbitrator determined that Respondent M. Rimson & Co., Inc. had notice of the claim, and was required to submit to this arbitration proceeding; and is therefore, bound by the arbitrator's ruling and determination.

Pursuant to the By-laws of the NASD, the Arbitrator determined that no service was effected on Respondents Moshe Rimson and Alex Shindman.

### **AWARD**

Pursuant to Section 13 of the NASD, Inc. Code of Arbitration Procedure, a single Public Arbitrator, David Fogel, Esq., was selected to review the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimant Joseph A. Calabrese on December 28, 1995 and not by the Respondents Moshe Rimson, Alex Shindman and M. Rimson & Co., Inc.

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 M. Rimson & Co., Inc. is liable, and shall pay to the Claimant Joseph A. Calabrese, \$10,000.00 in actual damages.
2. The claims of Claimant Joseph A. Calabrese against Respondents Moshe Rimson and Alex Shindman are dismissed in their entirety without prejudice.

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.

**AFFIRMATION**

I, **DAVID FOGEL, ESQ.**, do hereby swear or 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.



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Signature of Arbitrator

DATE OF DECISION:      August 30, 1996