

REPORT OF ARBITRATORS

NASD Regulation, Inc. Office of Dispute Resolution

In the Matter of the Arbitration Between

Name of Claimant

Leonard M Loniewski and Sherry D. Loniewski

and

96-00125

Name of Respondent

Joseph Stevens & Company, LP

Mitchell Mullen

Joseph Sobarra

DISCIPLINARY REFERRAL

The undersigned arbitrators request that the appropriate NASD Regulation, Inc. District office investigate the following for potential violations of the Rules of Fair Practice. During the course of the hearing of the above captioned matter, the undersigned arbitrators heard evidence that suggests that Respondents:

- engaged in abusive sales practices, specifically trading on margin without a margin agreement.
- breached their fiduciary duties to Claimants by engaging in unsuitable trading.
- engaged in abusive sales practices by guaranteeing trading.
- did not have proper complaint compliance procedures in place.

/s/ William S. Glickfield, Esq.

William S. Glickfield, Esq.

Public Arbitrator, Presiding Chair

Dated:

February 13, 1997

/s/ Karl Bradlyn

Karl Bradlyn

Industry Arbitrator

February 19, 1997

The undersigned arbitrator concurs in the referral above but dissents in part from the referral against Respondents Mitchell Mullen and Joseph Sobarra.

/s/ Patrick D. Carroll, Esq.

Patrick D. Carroll, Esq.
Public Arbitrator

February 28, 1997