

**NASD REGULATION, INC.  
OFFICE OF DISPUTE RESOLUTION  
ARBITRATION AWARD**

**NASD REGULATION, INC. OFFICE OF DISPUTE RESOLUTION**

In the matter of the Arbitration Between

**Name of Claimant**

Selda Hollander as Trustee of  
the Selda Hollander Trust

NASD Regulation, Inc.  
Office of Dispute Resolution  
Arbitration No. 96-01067

**Name of Respondents**

Commonwealth Associates, Inc.,  
Guy Clemente, and  
Richard Campanella

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**REPRESENTATION**

For Claimant:

H. Thomas Fehn, Esq. and  
Gregory J. Sherwin, Esq.  
Fields, Fehn, and Sherwin  
Los Angeles, California

For Respondents Commonwealth Associates and  
Richard Campanella:

Steven R. Paradise, Esq.  
Squadron, Ellenoff, Plesent,  
and Sheinfeld, LLP  
New York, New York

For Respondent Guy Clemente:

Harry L. Garman, Esq.  
Fairfield, New Jersey

### **CASE INFORMATION**

Statement of Claim filed:	March 6, 1996
Claimant's Submission Agreement signed:	March 4, 1996
Statement of Answer filed by Respondents Commonwealth Associates and Richard Campanella:	May 10, 1996
Statement of Answer filed by Respondent Guy Clemente:	May 10, 1996
Respondent Commonwealth Associates' Submission Agreement signed:	May 10, 1996
Respondent Guy Clemente's Submission Agreement signed:	May 8, 1996

### **HEARING INFORMATION**

Hearing Dates / Sessions:	February 24, 1997 (2 Sessions) February 25, 1997 (2 Sessions)
Hearing Location:	Los Angeles, California

### **CASE SUMMARY**

Claimant alleged that Respondents made unauthorized use of margin and made unauthorized trades on her account. Claimant also alleged that Respondents made unsuitable and fraudulent investments.

Respondents Commonwealth Associates and Richard Campanella denied the allegations of wrongdoing found in the Claimant's Statement of Claim.

Respondent Guy Clemente denied the allegations of wrongdoing found in the Claimant's Statement of Claim.

### **RELIEF REQUESTED**

Claimant requested \$110,000 in compensatory damages plus interest. Claimant further requested restitution of \$7,000 in commissions paid. Claimant also requested punitive damages, costs, expenses, and attorney fees.

Respondents Commonwealth Associates and Richard Campanella requested the dismissal of the claim,

costs, expenses and attorney fees.

Respondent Guy Clemente requested the dismissal of the claim, and costs.

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

Claimant dismissed Respondent Richard Campanella with prejudice.

Claimant dismissed all claims with prejudice other than the claim for unauthorized trading.

The parties have agreed that the Award in this matter may be executed in either 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 original remains on file with the NASD Regulation, Inc. Office of Dispute Resolution.

### **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 Commonwealth Associates and Guy Clemente are jointly and severally liable to and shall pay Claimant the sum of \$32,400.00. This amount includes interest damages.
2. The parties shall each bear their respective costs, including attorney's fees.

### **FORUM FEES**

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

4 Hearing Sessions @ \$750.00/Session      =      \$3,000.00

Claimant's one-half share                                      =      \$1,500.00

Credit for Hearing Session Deposit                                      =      \$750.00

Claimant's Balance Due    =      \$750.00

Respondent Guy Clemente and Commonwealth Associates

Joint and Several one-half share = \$1,500.00

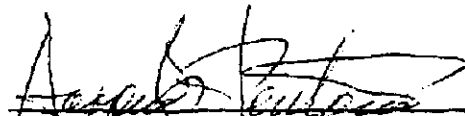
Respondents' Balance Due = \$1,500.00


Fees are payable to NASD Regulation, Inc.

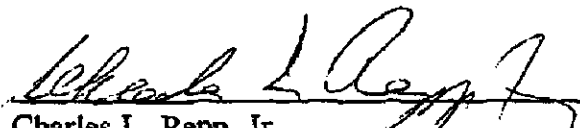
### **ARBITRATORS**

<u>Name</u>	<u>Public / Industry</u>
Aaron J. Fenton, Esq.	Public
William C. Richardson	Industry
Charles L. Repp, Jr.	Public

### **Concurring Arbitrators' Signatures**

  
\_\_\_\_\_  
Aaron J. Fenton, Esq.

  
\_\_\_\_\_  
William C. Richardson

  
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Charles L. Repp, Jr.

Date of Decision: \_\_\_\_\_