

AWARD  
NASD REGULATION, INC.

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In the Matter of the Arbitration Between

Name of Claimant

Robert Blashka

Case No.  
96-01100

Name of Respondents

Greenway Capital Corporation,  
Mayer A. Amsel,  
David Amsel  
National Financial Service Corp.,

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REPRESENTATION

Robert Blashka ("Claimant") was represented by Laurie J. Dollinger, Esq. of the law firm of Gusrae, Kaplan, & Bruno, New York, New York.

Greenway Capital Corporation ("Greenway") did not appear.  
Mayer Amsel ("Amsel") did not appear.  
David Amsel ("D. Amsel") did not appear.

CASE INFORMATION

Claimant's Statement of Claim was filed on April 11, 1998.  
Claimant's Submission Agreement was signed on March 8, 1996.

Greenway Statement of Answer was filed on May 30, 1996.  
Greenway Submission Agreement was executed on August 8, 1996.

Amsel did not file a Statement of Answer.  
Amsel did not sign a Uniform Submission Agreement.

D. Amsel did not file a Statement of Answer.  
D. Amsel did not sign a Uniform Submission Agreement.

HEARING INFORMATION

Pre-Hearing Conference:	May 1, 1998	One session	Full panel
	September 18, 1998	One session	Full panel

Hearing Date/Sessions:	October 19, 1998	Two sessions
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Hearing Location:	NASD Regulation, Inc., New York, New York
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### CASE SUMMARY

Claimant commenced this arbitration to recover actual and punitive damages in excess of \$5,000,000 arising from the fraudulent manipulation of a company's stock to artificially inflate and maintain its price. Claimant alleged that despite consistent losses reported by the company, the stock price continued to rise because of a manipulative scheme engineered by Respondents to achieve domination and control over the stock's market price. Claimant further alleged that a mark-up system was used by Respondents to generate income in which they re-sold the company's stock from their own accounts to investors at an inflated price. Claimant also alleged that Respondents would not execute sales until a similar or better offer to buy was received. From these fraudulent practices, Claimant was subject to monetary loss upon Respondents' alleged failure to execute the sale of Claimant's holdings at the price Claimant requested.

Greenway denied that they committed any wrongdoing alleged in Claimant's Statement of Claim. Greenway asserted that any losses suffered by Claimant were the result of market pressures and were not caused from any alleged manipulative scheme. Greenway maintained that it exercised good faith and diligence which ordinarily prudent persons would exercise in similar circumstances. Greenway further asserted that at no point did it conduct business with the desire to defraud Claimant nor were there any facts to sustain such a claim. Moreover, there were no misrepresentations or false statements made by Greenway and, therefore, no wrong was committed.

### RELIEF REQUESTED

Claimant requested:

1. actual damages in the amount of \$1,820,700.00;
2. treble damages in excess of \$2,142,000.00;
3. punitive damages in the amount of \$1,000,000.00;
4. attorneys' fees; and
5. arbitration cost.

Greenway requested:

1. that Statement of Claim be dismissed in its entirety;
2. that if an award is rendered against Respondents that the award is specifically apportioned.

### 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.

Upon review of the file and the representations made on behalf of the Claimant, the undersigned arbitrators have determined that Amsel and D. Amsel have been properly served with the Statement of Claim pursuant to rule 10302 and Rule 10314 of the NASD Code of Arbitration Procedure (the "Code"). The undersigned arbitrators have also determined that Amsel and D. Amsel has received due notice of the hearing as required under Rule 10315 of the Code and that arbitration of the matter would proceed

pursuant to Rule 10318 of the Code.

Respondent Amsel and D. Amsel did not file with the NASD Regulation, Inc. Office of Dispute Resolution to properly executed submission to arbitration but is required to submit to arbitration pursuant to Rule 10301 of the Code.

### 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. Greenway Capital and Amsel shall pay to Claimant, jointly and severally, compensatory damages in the amount of \$255,000.00. No interest is awarded.
2. Claimant's request for treble damages in excess of \$2,142,000.00, is denied.
3. Claimant's request for punitive damages in the amount of \$1,000,000.00, is denied.
4. Claimant's request for attorneys' fees is denied.
5. Claimant's request for arbitration cost, except as provided in the Forum Fee Section of the Award, is denied.
6. Greenway's request that the award be specifically apportioned is denied.

### OTHER COSTS

Pursuant to Rule 10333 of the Code, Greenway was assessed a member surcharge in the amount of \$500.00.

### FORUM FEES

Pursuant to Rule 10332 of the Code, the arbitrator's have determined that NASD Regulation, will retain Claimant's \$300.00 filing fee.

The Forum Fee(s) are assessed as follows:

2 Pre Hearing Conference Calls	x	\$1,500.00	=	\$3,000.00
2 Hearing Session	x	\$1,500.00	=	\$3,000.00
Total			=	\$6,000.00

Claimant has been assessed \$2,250.00 representing one half of the forum fees assessed. Claimant previously deposited with NASD Regulation \$1,500.00. Therefore, Claimant owes NASD Regulation an outstanding balance of \$1500.00.

Greenway and Amsel have been assessed, jointly and severally, \$3,000.00 representing one half of the forum fees assessed. Therefore, Respondent shall pay to NASD Regulation \$3,000.00 in satisfaction of outstanding forum fees.

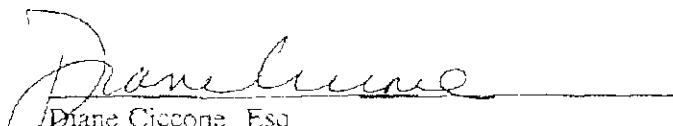
Fees are payable to the NASD Regulation, Inc. Office of Dispute Resolution

ARBITRATION PANEL

Diane Ciccone, Esq. - Public Chairperson  
Stanley H. Labinger - Public Panelist  
C. Anthony Bell - Industry Panelist

ARBITRATOR SIGNATURE'S

I, Diane Ciccone, 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

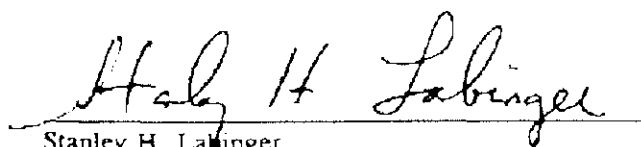
  
Diane Ciccone, Esq.  
Public Chairperson

**ARBITRATION PANEL**

Diane Ciccone, Esq. - Public Chairperson  
Stanley H. Labinger - Public Panelist  
C. Anthony Bell - Industry Panelist

**ARBITRATOR SIGNATURE'S**

I, Stanley H. Labinger, 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.

A handwritten signature in cursive script, reading "Stanley H. Labinger", is written over a horizontal line.

Stanley H. Labinger  
Public Panelist

**ARBITRATION PANEL**

Diane Ciccone, Esq. - Public Chairperson  
Stanley H. Labinger - Public Panelist  
C. Anthony Bell - Industry Panelist

**ARBITRATOR SIGNATURE'S**

I, C. Anthony Bell, 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.

C. Anthony Bell

C. Anthony Bell  
Industry Panelist