

**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

John Renato Guaglianone

NASD Regulation, Inc.
Office of Dispute Resolution
Arbitration No. 96-01642

Name of Respondent

Sutro & Co., Incorporated

REPRESENTATION

For Claimants:

John Guaglianone
In Pro Per

For Respondents:

Michelle C. Marsh
Porter & Commins, LLP
San Francisco, California

CASE INFORMATION

Statement of Claim filed:	April 16, 1996
Claimant's Submission Agreement signed:	April 12, 1996
Statement of Answer filed by Respondent:	June 17, 1996
Respondent Submission Agreement signed:	May 30, 1996

HEARING INFORMATION

Pre-Hearing Conference Date / Session:

December 2, 1996 (1 Session)
January 29, 1997 (1 Session)
March 6, 1997 (1 Session)

Hearing Dates / Sessions:

March 10, 1997 (2 Sessions)
March 11, 1997 (2 Sessions)

Hearing Location:

Los Angeles, California

CASE SUMMARY

Claimant alleged that Respondent misrepresented the classification of the type of security purchased for the claimant. Claimant alleged that on June 28, 1993 he ordered the purchase of newly issued stock and that Respondent did not buy the requested new stock but an older class of stock which had been converted to warrants.

Respondent denied all wrongdoing alleged in the Statement of Claim. Respondent alleged that Claimant's claim is time-barred under the California Civil Procedure Code §339 and §340. Respondent further asserted that the equitable doctrine of laches applies and bars the claim. Respondent also alleged that the doctrine of impossibility applies as the "new" shares had not been issued as of June 28, 1993.

RELIEF REQUESTED

Claimant requested \$5,000,000.00 for consequential and compensatory damages plus fees and expenses.

Respondent requested the dismissal of the claim in its entirety. Respondent further requested costs, and attorneys' fees.

OTHER ISSUES CONSIDERED AND DECIDED

Arbitrator George M. Wiener, Esq. dissents because, in his opinion, Claimant failed to adduce evidence establishing either liability or damages.

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. Respondent Sutro & Co., Inc. is liable to and shall pay Claimant the amount of \$16,200.00.
2. Claimant's filing fees of \$250.00 shall be refunded to him and charged to Respondent Sutro & Co, Inc.

FORUM FEES

Pursuant to Section 43(c) of the Code of Arbitration Procedure, the following forum fees are assessed against Respondent Sutro & Co., Inc.:

Two (2) Pre-Hearing Conferences @ \$300.00/Session	= \$600.00
One (1) Pre-Hearing Conference @ \$1,000.00/Session	= \$1,000.00
Four (4) Hearing Sessions @ \$1,000.00/Session	= \$4,000.00
<u>Filing Fees in the amount of \$250.00</u>	<u>= \$250.00</u>
Total Forum Fees Assessed	= \$5,850.00

Respondent Sutro & Co, Inc.'s Balance Due = \$5,850.00

Claimant's filing fee of \$250.00 and Hearing Session Deposit of \$1,000.00 shall be refunded by the NASD Regulation, Inc.

Fees are payable to NASD Regulation, Inc.

03/31/97
Sent BY:

MON 09:18 FAX 310 2293740


L.H. FRIEND
3-27-97 11:20AM

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GELLER & FRIEND: # 57 5

ARBITRATORS

<u>Name</u>	<u>Public / Industry</u>
George M. Wiener, Esq.	Public Arbitrator
Michael C. Pocaterra	Industry Arbitrator
Marcus J. Anwyl-Davies, QC	Public Arbitrator

Concurring Arbitrators' Signatures


Michael C. Pocaterra

Marcus J. Anwyl-Davies, QC

Dissenting Arbitrator's Signature

George M. Wiener, Esq.

Date of Decision: 2-10-97

Date of Service: _____

ARBITRATORS

<u>Name</u>	<u>Public / Industry</u>
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Michael C. Pocaterra	Industry Arbitrator
Marcus J. Anwyl-Davies, QC	Public Arbitrator

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Marcus J. Anwyl-Davies

Marcus J. Anwyl-Davies, QC

Dissenting Arbitrator's Signature

George M. Wiener, Esq.

Date of Decision: _____

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ARBITRATORS

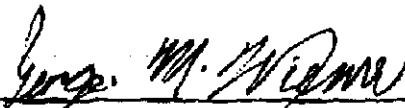
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Dissenting Arbitrator's Signature


George M. Wiener, Esq.

Date of Decision: _____

Date of Service: _____