

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Halpert and Company, Inc.

96-01706

Name of Respondent

Neil Berman

CASE SUMMARY

In a claim filed with the National Association of Securities Dealer, Inc. on April 19, 1996, claimant Halpert and Company, Inc. ("claimant"), through its representative, Carl F. Schoeppl, Esq. of Mager & Associates, P.A., located in Fort Lauderdale, Florida, alleged that respondent Neil Berman ("respondent") failed to pay for stock he purchased for his account. Claimant further alleged that on April 21, 1995, respondent placed an unsolicited order at the claimant's Boca Raton office, purchasing 25,000 shares of Global Telemedia International, Inc. ("Global"), for the net amount of \$36,214.50. Claimant also alleged that on April 25, 1995, respondent placed an unsolicited order, purchasing 10,000 shares of Global, with a net amount of \$17,227.00. Claimant asserted that on April 28, 1995, respondent wrote a personal check payable to claimant in the amount of \$53,441.50. Claimant further asserted that on May 1, 1995, respondent's check was dishonored and returned to them for insufficient funds. Claimant also asserted that on May 2, 1995, it informed respondent that his Global stock would be sold at the current market price, if his account was not paid for by 9:30 a.m. on May 3, 1995. Claimant contended that on May 3, 1995, respondent failed to pay for the Global stock. Claimant further contended that pursuant to the respondent's Customer Agreement, they liquidated respondent's account leaving a debit balance of \$7,633.00. Claimant also contended that between May 4, 1995 and June 9, 1995 respondent paid \$1,000.00, leaving a debit balance of \$6,633.00. Claimant alleged that on or about June 9, 1995, respondent agreed to pay the account balance of \$6,633.00 on or before June 13, 1995, but failed to do so. Claimant further contended that on or about June 20, 1995, respondent signed another agreement and executed a written promissory note obligating him to pay claimant \$6,633.00, plus interest. Claimant also alleged that notwithstanding the June 20th agreement and promissory note, respondent had failed to pay the balance in his account.

Respondent Neil Berman failed to file an Answer to the Statement of Claim.

RELIEF REQUESTED

Claimant Halpert and Company, Inc., requested \$6,633.00 in actual damages; \$3,000.00 in statutory damages pursuant to Section 68.065 of the Florida Statutes, plus interest, attorneys' fees and other costs.

Respondent Neil Berman failed to file an Answer to the Statement of Claim.

OTHER ISSUES CONSIDERED & DECIDED

On May 23, 1996, respondent Neil Berman requested a two week extension to file his Statement of Answer. On July 5, 1996, the arbitrator informed the parties that he would take additional documentation filed with the NASD on or before July 19, 1996. However, respondent Neil Berman failed to file an Answer to the Statement of Claim.

The arbitrator reviewed and considered all documentation submitted by the parties concerning claimant Halpert and Company's motion to bar respondent Neil Berman's Statement of Answer. This motion was not ruled on, since respondent Neil Berman failed to file an Answer to the Statement of Claim.

In accordance with Section 13 of the NASD Code of Arbitration Procedure, the respondent Neil Berman, was served by regular mail and given an opportunity to respond, which he failed to do. In addition, notice of the identity of the arbitrator and an overdue notice were sent certified mail and the signature card was not returned.

Pursuant to the By-Laws of the NASD, the arbitrator determined that respondent Neil Berman, 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.

AWARD

Pursuant to Section 13 of the NASD, Inc. Code of Arbitration Procedure, a single Public Arbitrator, Jacob I. Levine, was selected to review the matter in controversy between the parties set forth in submissions to Arbitration signed by the claimant in March 1996, and not by the respondent Neil Berman, as required by Section 12 and 13 of the NASD Code of Arbitration Procedure.

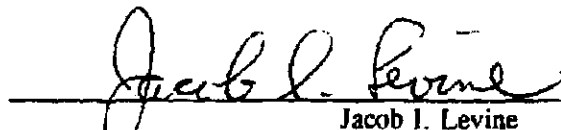
And, the Arbitrator, having considered the proof of the parties, has decided and determined in full and final resolution of the issues submitted for determination as follows:

1. Respondent Neil Berman is liable and shall pay to the claimant Halpert and Company, Inc. the sum of \$6,633.00, in actual damages.
2. Respondent Neil Berman is liable and shall pay to the claimant Halpert and Company, Inc. the sum of \$1,367.00, in statutory damages pursuant to Section 68.065 of the Florida Statutes.

3. The parties shall bear their respective costs.
4. All other relief requests are denied.
5. The \$575.00 filing fee previously deposited with the National Association of Securities Dealer, Inc. by the claimant Halpert and Company, Inc. shall be retained by the NASD, Inc. Respondent Neil Berman is liable and shall pay to the claimant Halpert and Company, Inc. \$575.00 as reimbursement of the filing fee.

AFFIRMATION

I, **Jacob I. Levine**, do hereby affirm upon my oath as arbitrator that I am the individual described herein and who executed this instrument, which is my oath and award.



Jacob I. Levine

Date of Decision: September 26, 1996