

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Names of Claimants

Joseph W. and Janice D. Hoffman

96-01947

Name of Respondent

Steven D. Manning

REPRESENTATION

For Claimants Joseph W. and Janice D. Hoffman ("the Hoffmans"): Russell L. Forkey, Esq., Fort Lauderdale, Florida.

For Respondent Steven D. Manning ("Manning"): Steven R. Reininger, Esq., of Rasco & Reininger, Miami, Florida.

CASE INFORMATION

Statement of Claim filed: April 30, 1996.

Claimants' Submission Agreements signed on: May 2, 1996.

Statement of Answer filed by Respondent on: June 18, 1996.

Respondent's Submission Agreement signed on: June 13, 1996.

Amended Statement of Answer filed by Respondent on: July 2, 1996.

HEARING INFORMATION

On March 10, 11 and 21, 1997 hearings lasting six sessions were conducted in Fort Lauderdale, Florida.

CASE SUMMARY

Claimants alleged that Respondent Manning was the office manager of a branch of First Investors Corporation where Claimants maintained an account; that Manning was negligent with respect to his supervision of the account executive, Daniel Turner, who handled Claimants' account at Investors Corporation. Claimants further alleged that Manning committed perjury in another related arbitration proceeding involving Turner and First Investors Corporation.

Respondent denied all allegations of wrongdoing contained in the Statement of Claim and maintained that the issues relating to the false testimony were matters outside the jurisdiction of the arbitration panel (being within the jurisdiction of the courts); that the negligent supervision claim in this case had already been determined by the arbitration panel that determined the case involving Turner and First Investors Corporation; and, that an award of \$10,000.00 was rendered against First Investors Corporation and paid to the Claimant in that case. Respondent further maintained that the supervision over the account executive was proper in that Manning implemented the internal policies of his employer, First Investors Corporation, which followed the requirements of the NASD and industry standards.

RELIEF REQUESTED

Claimants requested damages in the amount of \$105,000.00, interest, costs, attorneys' fees and punitive damages.

Respondent requested dismissal of all claims against him.

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 NASD Regulation, Inc.

AWARD

After considering the pleadings, the testimony and the evidence presented at the hearing and post hearing submissions (if any), the undersigned arbitrators have decided in full and final resolution of the issues submitted for determination as follows:

1. Respondent is found liable and shall pay to the Claimants the sum of \$10,000.00 inclusive of pre-judgment interest.
2. Claimants' requests for attorneys' fees, punitive damages and costs are denied.

FORUM FEES

Pursuant to Rule 10332(c) of the Code of Arbitration Procedure ("Code"), the panel has assessed Forum Fees in the amount of \$4,500.00 (six (6) hearing sessions X \$750.00)

1. Respondent is hereby assessed forum fees in the amount of \$2,250.00 payable to NASD Regulation, Inc.
2. Claimants are hereby assessed forum fees in the amount of \$2,250.00 for which NASD Regulation, Inc. shall retain the \$750.00 previously deposited by Claimants in partial satisfaction thereof leaving a balance due to NASD Regulation Inc. by Claimants of \$1,500.00.
3. NASD Regulation, Inc. shall retain the \$200.00 non-refundable filing fee paid by the Claimants.

Fees are payable to the NASD Regulation, Inc.

ARBITRATION PANEL

Concurring Arbitrators' Signatures

/s/

Randy L. Rubin, Esq.

Public/Chair

/s/

Perry Wurst

Public/Panelist

/s/

Richard D. Longacre

Industry/Panelist

Date of Decision: April 18, 1997