

AWARD

NASD Regulation, Inc. Office of Dispute Resolution

In the Matter of the Arbitration Between

Name of Claimants

Nicholas and Tania Steffora

Arbitration No.
96-02208

and

Name of Respondents

Josephthal Lyon & Ross
Michael A. Volpe
Steven Jacobs

REPRESENTATION OF PARTIES

Nicholas and Tania Steffora ("**Claimants**") represented themselves, pro se.

Josephthal Lyon & Ross and Michael A. Volpe ("**JLR/Volpe**") were represented by Robert E. Murphy, Esq., Josephthal Lyon & Ross, New York, New York.

Steven Jacobs ("**Jacobs**") represented himself, pro se.

CASE INFORMATION

The Statement of Claim was filed on or about May 17, 1996.

The Claimants' Submission Agreement was signed on May 21, 1996.

The Joint Statement of Answer and Counter-Claim for JLR/Volpe was filed on or about October 7, 1996.

The Submission Agreement for Respondent Josephthal Lyon & Ross was signed on September 9, 1996.

Michael Volpe's Submission Agreement was signed on September 10, 1996.

The Statement of Answer of Steven Jacobs was filed on or about April 11, 1997.

HEARING INFORMATION

A pre-hearing conference was held on February 27, 1997. One session.

The hearing was held in Las Vegas, Nevada on: July 28, 1997 two sessions;

July 29, 1997

two sessions.

CASE SUMMARY

Claimants allege that JLR/Volpe and Jacobs engaged in numerous unauthorized trades in their account. Claimants further allege that JLR/Volpe and Jacobs made the unauthorized trades on margin which was also unauthorized by the Claimants. Additionally, Claimants allege that due to the number of unauthorized trades they suffered damages due to excessive commission charges.

Respondents JLR/Volpe denied the allegations set forth in the Statement of Claim. Additionally, JLR/Volpe seek indemnification from Respondent Jacobs on any award rendered against JLR and/or Volpe.

Steven Jacobs denied all allegations raised in the Statement of Claim.

RELIEF REQUESTED

Claimants requested an award in the amount of \$65,044.33.

Respondents JLR/Volpe requested that the claims asserted against them be denied in their entirety and that they be awarded their costs and attorneys' fees. Additionally, Respondents JLR/Volpe seek indemnification from Respondent Jacobs on any award rendered against them.

OTHER ISSUES CONSIDERED & DECIDED

Upon review of the file and the representations made by/on behalf of the Claimant, the undersigned arbitrators have determined that Respondent Steven Jacobs did not file with the NASD Regulation, Inc. Office of Dispute Resolution a properly executed submission to arbitration but is required to submit to arbitration pursuant to Rule 10301 of the NASD Code of Arbitration Procedure (the "Code") and having answered the claim, appeared and testified at the hearing is bound by the determination of the arbitration panel on all issues submitted.

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 original(s) remain 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 and the post-hearing submissions, the undersigned arbitrators have decided in full and final resolution of the issues submitted for determination as follows:

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1. In satisfaction of all claims raised in the Statement of Claim, Respondent Josephthal Lyon & Ross and Respondent Steven Jacobs, only, shall pay to Claimants the sum of \$27,000.00;
2. All claims asserted against Michael A. Volpe are dismissed in their entirety;
3. All claims raised by JLR/Volpe in their counter-claim are dismissed in their entirety;
4. All sides to bear their own costs, including attorneys' fees.

FORUM FEES

Forum fees are calculated at the rate of \$500 per hearing session and \$300 for each pre-hearing conference (single arbitrator only), if any. There was 1 pre-hearing conference x \$500 plus 4 hearing sessions x \$500 = \$2,500.00 in forum fees. Pursuant to Rule 10332(b) a hearing session is any meeting between the parties and the arbitrator(s), including a pre-hearing conference with an arbitrator, which lasts four (4) hours or less. Pursuant to Rule 10332(c) all forum fees are assessed against Josephthal Lyon & Ross, Inc..

Pursuant to Rule 10332(e) of the NASD Code of Arbitration Procedure, the NASD Regulation, Inc. Office of Dispute Resolution shall retain the non-refundable filing fee in the amount of \$150 and shall refund the hearing session deposit in the amount of \$500 previously deposited with the NASD Regulation, Inc. Office of Dispute Resolution by the Claimants.

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

Dated:


William Urga, Esq.
Public Arbitrator, Presiding Chair


4/20/98

M. Nelson Segel, Esq.
Public Arbitrator

Madelyn A. Levy, Esq.
Industry Arbitrator

Date Served: April 21, 1998

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Industry Arbitrator

Date Served: April 21, 1998

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Date Served: April 21, 1998