

**N.A.S.D. AWARD**

**NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.**

In the matter of the Arbitration Between

**Name of Claimant(s)**

Pedro G. Borrego and Carmen L. Borrego

NASD Arbitration  
No. 96-02486

**Name of Respondent(s)**

McLaughlin, Piven, Vogel Securities, Inc. and M. Sonny Arias

**REPRESENTATION**

For Claimant:

Pedro G. Borrego, in pro per  
Inglewood, California

For Respondent McLaughlin, Piven,  
Vogel Securities, Inc.:

Joseph D'Elia, Esq.  
Law Offices of Joseph D'Elia  
Huntington, New York

For Respondent M. Sonny Arias:

David M. Greenberg, Esq.  
San Francisco, California

**CASE INFORMATION**

Statement of Claim filed:

June 11, 1996

Claimant's Submission Agreement signed:

June 4, 1996

Statement of Answer filed by Respondent  
McLaughlin, Piven, Vogel Securities, Inc.:

On or about July 24, 1996

Statement of Answer filed by Respondent  
M. Sonny Arias:

August 9, 1996

Amended Statement of Answer filed by  
Respondent M. Sonny Arias:

September 13, 1996

Respondent McLaughlin, Piven Vogel  
Securities, Inc.'s Submission Agreement signed:

July 24, 1996

Respondent M. Sonny Arias' Submission  
Agreement signed:

August 14, 1996

### **HEARING INFORMATION**

Pre-Hearing Conference Date / Session:

October 30, 1996 (1 session)

Hearing Date/ Sessions:

December 3, 1996 (2 sessions)

Hearing Location:

Los Angeles, California

### **CASE SUMMARY**

Claimants alleged that Respondents committed unethical practices by investing Claimants' funds into risky, unsuitable securities which did not meet Claimants' investment objectives. Claimants further alleged that Respondents committed unauthorized trading by purchasing a security without first obtaining Claimants' consent. Claimants assert that they sustained losses to their principal as a result of Respondents unauthorized and unethical actions.

Respondents denied Claimants' claims in their entirety.

### **RELIEF REQUESTED**

Claimants sought compensatory damages in the amount of \$29,999, interest and costs associated with the arbitration.

Respondents sought dismissal of Claimants' claims in their entirety.

### **OTHER ISSUES CONSIDERED AND DECIDED**

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.

## **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. Claimants' claims are denied in their entirety.
2. Each shall bear its own costs.
3. Forum Fees shall be split evenly between Claimants and Respondents.

## **FORUM FEES**

Pursuant to Section 43(c) of the Code of Arbitration Procedure, the following forum fees are assessed:

One (1) Pre-Hearing Conference @ \$300.00/Session	= \$300.00
<u>Two (2) Hearing Sessions @ \$300.00/Session</u>	<u>= \$600.00</u>
Total Forum Fees Assessed	= \$900.00

Claimants' One-Half Share	= \$450.00
<u>Claimants' Credit for Hearing Session Deposit</u>	<u>= \$300.00</u>
Claimants' Balance Due	= \$150.00

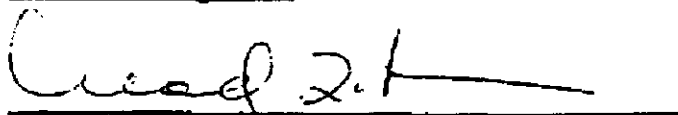
<u>Respondents' One-Half Share (Jointly and Severally)</u>	<u>= \$450.00</u>
Respondents' Balance Due (Jointly and Severally)	= \$450.00

Fees are payable to the National Association of Securities Dealers, Inc.

## **ARBITRATOR**

Name	Public / Industry
Wendy L. Kohn, Esq.	Public Arbitrator

Arbitrator's Signature



Wendy L. Kohn, Esq.

Date of Decision: \_\_\_\_\_

Date of Service: \_\_\_\_\_