

NATIONAL ASSOCIATION OF SECURITIES DEALERS

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In the Matter of the Arbitration Between

Name of Claimant

JW Charles Securities, Inc.

96-02879

Name of Respondent

Anthony Dinota

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**CASE SUMMARY**

In a case filed National Association of Securities Dealers Regulation, Inc. on July 8, 1996, claimant JW Charles Securities, Inc. ("JWC" or "claimant") through its representative and in-house counsel Gregory Tenderich, Esq. alleged that respondent Anthony Dinota ("Dinota") failed and refused to honor his contractual obligations with JWC. Claimant further alleged that on or about September 30, 1994, Dinota executed a Standard Representative Agreement ("Standard Agreement") and an Addendum to the Standard Agreement ("Addendum"). Claimant also alleged that the Addendum provided that Dinota would receive a draw against commission of \$4,000.00 during the first month of the agreement and \$3,000.00 draw against commissions in the second and third months. Claimant asserted that Dinota received compensation as draws against commissions for \$10,000.00 pursuant to the Addendum. Claimant further asserted that the Addendum further provides that in the event Dinota terminated his relationship with JWC within three years, Dinota agreed to reimburse JWC the difference between the payouts he actually received and the normal grid, the difference was \$10,000.00. Claimant also asserted that on or about April 25, 1996, Dinota was terminated from JWC due to lack of production. Claimant contended that at the time of his termination he was indebted to JWC for \$10,000, and has refused to repay it.

Respondent Anthony Dinota through his representative and counsel Gerald Adler of the law firm Loselle, Greenawalt, Kaplan, Blair & Adler located in New York City, New York maintained that the \$4,000.00 first month draw was a forgivable draw, while the \$3,000.00 per month draw for the second and third months were to be non-forgivable draws. Respondent further maintained that the draws were to be repaid to claimant only in the event respondent terminated the agreement. Respondent contended that he did not terminate the agreement, but was terminated by claimant for lack of production. Respondent further contended that he was not even given the opportunity to achieve any production levels. Respondent also contended that he was terminated less than three months after he became registered in Florida and was legally able to produce. Respondent maintained that he continued at all times to abide by the terms and conditions of his agreement until he was terminated by claimant.

**RELIEF REQUESTED**

Claimant JWC requested \$10,000.00 in compensatory damages, plus \$575.00 representing the arbitration filing fee, attorneys' fees, interest and such other relief as the arbitrator deems appropriate.

Respondent Anthony Dinota requested that the claims of claimant be dismissed in their entirety, plus attorneys' fees and such other relief as the arbitrator may deem appropriate.

**AWARD**

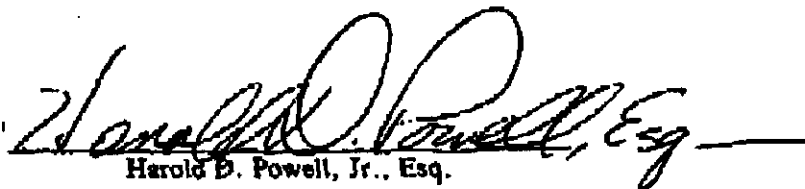
Pursuant to Rule 10203 of the Code of Arbitration Procedure, a single Industry Arbitrator, H. Douglas Powell, was selected to review the matter in controversy between the parties set forth in Submission to Arbitration signed by claimant JWC on June 1, 1996 and by respondent Anthony Dinota on November 11, 1996 as required by Rules 10201 and 10203 of the Code of Arbitration Procedure.

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

1. The claims of Claimant JWC against respondent Anthony Dinota are dismissed with prejudice.
2. Claimant JWC be and hereby is liable and shall pay respondent Anthony Dinota reasonable attorneys' fees according to the Standard Registered Representative Agreement, Section 7, for the period September 28, 1996 to the date of payment.
3. Claimant JWC is ordered to amend Anthony Dinota's U-5 to reflect this award.
4. The \$575.00 filing fee previously deposited with National Association of Securities Dealers Regulation, Inc. by claimant shall be retained by NASD Regulation, Inc.

**AFFIRMATION**

I, Harold D. Powell, Jr. Esq., do hereby affirm upon my oath as arbitrator that I am the individual described herein who executed this instrument, which is my oath and award.

  
Harold D. Powell, Jr., Esq.

Date of Decision: April 18, 1997