

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimants

Mario and Angela Iacobucci
John Iacobucci

96-03489

Name of Respondents

Chatfield Dean & Company, Inc.
Howard Casman

REPRESENTATION

For Claimants, Mario and Angela Iacobucci, and John Iacobucci ("Iacobucci"), appeared Jeffery A. Sellers, Esq., of Silverberg, Wood, Sellers & McGorry, located in Buffalo, New York.

For Respondents, Chatfield Dean & Company, Inc. ("Chatfield Dean"), and Howard Casman ("Casman"), appeared Christa D. Taylor, Esq., of Chatfield Dean & Company, Inc., located in Greenwich Village, Colorado.

CASE INFORMATION

Statement of Claim filed: August 13, 1996

Claimants' Submission Agreement signed on: August 29, 1996.

Respondents Joint Statement of Answer filed on: October 21, 1996.

Respondents Chatfield Dean's Submission Agreement signed on: October 16, 1996.

Respondents Casman's Submission Agreement signed on: September 18, 1996.

HEARING INFORMATION

Pre-Hearing Conference: April 4, 1997 - One Session

Hearing Dates/Sessions: April 8, 1997 - Two Sessions
April 9, 1997 - One Session

The hearings were held in the offices of NASD Regulation, located at 125 Broad St., New York, New York.

CASE SUMMARY

Claimants alleged that John Iacobucci began investing with Casman, whom he had met through a friend in 1990. Claimants alleged that John Iacobucci told Casman that he had no prior investing experience and that he had approximately \$90,000.00 that was invested in certificates of deposit which he wanted to invest in relatively short term, conservative investments. Claimants further alleged that, in August 1990, John Iacobucci opened an account at Stuart James in his parents name since he did not want anyone to know how much money he had accumulated over the years.

Claimants alleged that Casman suggested a purchase of 125 shares of Occident Petroleum ("occident") and an investment in an additional stock that Casman stated he had been researching for a long time, American International Petroleum Corp. ("American"). Claimants alleged that Casman stated that American had huge oil reserves in Columbia and was the second largest holder of oil rights in South America.

Claimants alleged that based on these representations he purchased 11,000 shares of American between August 13, 1990, and September 13, 1990 for a total of \$8,332.75, and 125 shares of Occident on August 13, 1990 for \$3,376.33. Claimants alleged that in mid September 1990 Casman persuaded John Iacobucci to purchase 4500 shares of Green Barrito Foods Corp. ("GB Foods") for a total of \$18,295.00, which Casman represented as the fastest growing fast food franchise in the country. Claimants further alleged that, again, on October 29, 1990, John Iacobucci bought an additional 2,500 shares of American at a cost of \$1,983.75.

Claimants alleged that Casman told John Iacobucci that Stuart James was being purchased or merged with Chatfield Dean and that the only effect it would have on the account was that there would be a new name on the account statements.

Claimants alleged that immediately after the account was transferred to Chatfield Dean until August 1991, Casman convinced John Iacobucci to make further investments in companies that he represented as good solid investments that would ensure growth with minimal risk.

Claimants alleged that in August 1991, Casman and John Iacobucci agreed that some of the money invested would be placed in mutual funds; however, after investing \$42,936.88 in the John Hancock Strategic Fund, Casman persuaded John Iacobucci 4000 shares and 10,000 warrants of Airship International, between August 1991 and November 1991.

Claimants alleged that during this time American increased substantially and that John Iacobucci suggested to Casman that it be sold. Claimants alleged that Casman dissuaded John Iacobucci from selling the stock and convinced him to purchase 5,000 additional shares of the stock.

Claimants alleged that John Iacobucci continued to listen to Casman until early 1994 when John closed the account with Casman and Chatfield Dean.

Respondents maintained that Claimants, Mario and Angela Iacobucci, opened an account with Stuart James in about August 1990 through Casman. Respondents alleged, however, that the real party in interest to the account was the Iacobucci's son, John Iacobucci.

Respondents maintained that John Iacobucci was interested in oil company stocks and that his first two purchases were of oil company stocks. Respondents maintained that with respect to American, there were numerous times that Iacobucci could have sold the stock for a profit, and was urged by Casman to do so. Respondents maintained that Iacobucci greed prevented profitable sales. In addition, Respondents

maintained that Casman urged Iacobucci to consider less volatile investments, and although Iacobucci purchased a mutual fund, he was much more interested in speculative issues.

Respondent maintained Chatfield Dean did not purchase or merge with Stuart James. Respondent maintained that in November 1990, Stuart James went out of business and the customers were given a choice of receiving stock certificates or transferring their accounts to other brokerage firms.. Respondents maintained that if a customer did not make a choice the account was transferred to Chatfield Dean, like the Iacobucci account.

Respondent maintained that Claimants purchased over \$31,000.00 worth of various securities between August 1990 and October 1990 while their account was at Stuart James and that Chatfield Dean was not responsible for any of those transactions.

RELIEF REQUESTED

Claimant requested damages against Chatfield Dean and Casman, jointly and severally,, in the amount of \$82,471.00 together with interest, costs, and disbursements; normal and expected market appreciation through the closing of the account; interest at the judgment rate as determined by the State of Connecticut in an determined by the arbitration panel; reimbursement of all commissions charged; punitive damages and such further and different relief as the arbiters deem just and proper.

Respondents requested that all claims asserted by Claimants be dismissed in their entirety.

AWARD

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

1. All claims asserted by Claimant are dismissed in their entirety;
2. The parties are to bear their respective costs, including attorneys' fees; and,
3. All other requests for relief are denied.

FORUM FEES

Pursuant to Rule 10332 of the Code of Arbitration Procedure, the following Forum Fee(s) are assessed.

Pre-Hearing Conference:	\$ 300.00	(1 Session x \$300)
Hearing Sessions:	\$1500.00	(3 Sessions x \$500)

1. Claimants are jointly and severally assessed the sum of \$900.00 representing one-half the total forum fees assessed, less \$500.00 previously deposited, leaving \$400.00 due. Claimants are liable and shall pay to NASD Regulation the sum of \$400.00.
1. Respondents are jointly and severally assessed the sum of \$900.00 representing one-half the total forum fees assessed. Respondents are liable and shall pay to NASD Regulation the sum of \$400.00.

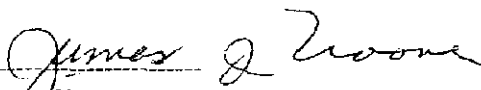
Fees are payable to NASD Regulation, Inc.

ARBITRATORS' SIGNATURES

I, Maria P. Fornaro, Esq., do hereby affirm, pursuant to Article 7505 of the Civil Practice Laws and Rules, that I am the individual described herein, and who executed this instrument which is my decision in the above-referenced matter.

Maria P. Fornaro, Esq.
Chairperson -- Public Arbitrator

I, James Noone, do hereby affirm, pursuant to Article 7505 of the Civil Practice Laws and Rules, that I am the individual described herein, and who executed this instrument which is my decision in the above-referenced matter.



James Noone
Industry Arbitrator

I, Shirley Mitgang, Esq., do hereby affirm, pursuant to Article 7505 of the Civil Practice Laws and Rules, that I am the individual described herein, and who executed this instrument which is my decision in the above-referenced matter.

Shirley Mitgang, Esq.
Public Arbitrator

Date of Decision: October 14, 1997

ARBITRATORS' SIGNATURES

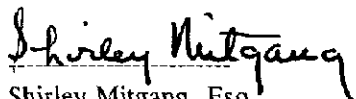
I, Maria P. Fornaro, Esq., do hereby affirm, pursuant to Article 7505 of the Civil Practice Laws and Rules, that I am the individual described herein, and who executed this instrument which is my decision in the above-referenced matter.

Maria P. Fornaro, Esq.
Chairperson -- Public Arbitrator

I, James Noone, do hereby affirm, pursuant to Article 7505 of the Civil Practice Laws and Rules, that I am the individual described herein, and who executed this instrument which is my decision in the above-referenced matter.

James Noone
Industry Arbitrator

I, Shirley Mitgang, Esq., do hereby affirm, pursuant to Article 7505 of the Civil Practice Laws and Rules, that I am the individual described herein, and who executed this instrument which is my decision in the above-referenced matter.



Shirley Mitgang, Esq.
Public Arbitrator

Date of Decision: October 14, 1997