

4108117

OFFICE OF DISPUTE RESOLUTION

In the Matter of the Arbitration Between

Name of Claimant

Max Gamzon

96-05115

Name of Respondents

Global Trading Group

Michael Domin

* Securities Service Network, Inc.

REPRESENTATION

For Claimant Max Gamzon ("Claimant") appeared David E. Robbins, Esq. of the law firm Kaufmann, Feiner, Yamin, Gildin & Robbins, LLP located in New York City, New York.

Respondent Global Trading Group ("GTG") was served with the Statement of Claim on a voluntary basis and did not agree to resolve the dispute through NASD Regulation Office of Dispute Resolution.

For Respondent Michael Domin ("Domin") appeared Miriam Benitez, Esq., a solo practitioner located in New York City, New York.

For Respondent Securities Service Network, Inc. ("SSN") appeared Christopher G. Lazarini, Esq., of the law firm Tate, Lazarini, & Beall, PLC located in Memphis, Tennessee.

CASE INFORMATION

Statement of Claim filed on: November 15, 1996.

Amended Statement of Claim filed on: December 2, 1996.

Claimant's Submission Agreement signed on: November 8, 1996.

Statement of Answer filed by Respondent Domin on: January 17, 1997.

Respondent Domin's Submission Agreement signed on: January 13, 1997.

Statement of Answer filed by Respondent SSN on: January 28, 1997.

Respondent SSN's Submission Agreement signed on: January 16, 1997.

HEARING INFORMATION

Hearing Dates/Sessions:	June 30, 1997	-	Two Sessions
	July 1, 1997	-	One Session

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

CASE SUMMARY

Claimant alleged that in 1994 he opened an account at VTR Capital Inc. and Domin was the broker. Claimant further alleged that in March 1996, he transferred the account to GTG when Domin moved there. Claimant also alleged that most of his trading was unsolicited and furthermore, he rarely invested on his broker's recommendation. Claimant continued to allege that unauthorized trades were made involving shares of Aztar Corp., Funco Corp., Grupo Televiso, Mis Multimed Intereact, USA Video Interactive Corp., Ultradata Systems, Inc. (warrants). Claimant also alleged that a trading analysis of the transactions at GTG indicated that the average equity was \$18,120.00 which was turned over 106.1 times, that the risk levels and security selections were inappropriate, that increasingly large positions resulted in a highly concentrated/leverage position in Iomega stock in June 1996, and that the commissions appeared high. Claimant asserted that respondents received over \$300.00 in margin interest from this account.

Respondent Domin maintained that claimant preferred investments with the highest risk categories which included short sales, options, and transactions on margin. Domin also maintained that during May and June 1996, claimant traded frequently resulting in a significant net profit with claimant receiving verbal and written confirmations for each transaction. Domin contended that in June claimant purchased shares of Iomega, which was highly touted, but dropped in value soon after the purchase. Domin further contended that claimant liquidated his position on Iomega at a loss and now seeks to blame him.

Respondent SSN maintained that the claimant has failed to make any allegations of wrongdoing against it and has failed to make any basis for imputing liability for his losses. Respondent further maintained that Domin was affiliated with it as an independent contractor from February to November 1996. Respondent also maintained that during this period, Domin worked for Global Trading Group which was maintained not a branch office of SSN. Respondent contended that it lacks information concerning the dispute but for that provided in the Statement of Claimant of Claim and Domin's Statement of Answer. Respondent further contended that claimant did not complain about the trades despite having received written confirmations for each trade in a timely manner and having received monthly account statements for each trade.

RELIEF REQUESTED

Claimant requested damages of \$37,064.00, punitive damages, and all costs but reduced the requested damages to \$22,453.51 due to a settlement with SSN.

Prior to the hearing on the merits, claimant settled the dispute with respondent SSN.

Respondent SSN denied the allegations set forth in the Statement of Claim and requested that the claim be dismissed in its entirety, and that SSN be awarded all costs and attorneys fees.

Respondent GTG requested that it be dismissed from all proceedings, since it is not a member of the NASD or any other exchange.

Respondent Domin requested that the claim be dismissed in its entirety.

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.

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. Respondent Michael Domin is liable and shall pay to Claimant Mark Gamzon \$9,100.00 in damages which includes payment for interest damages.
2. The parties shall bear their respective costs and attorney's fees.
3. All other requests for relief are denied.

FORUM FEES

Pursuant to Rule 10332 of the Code of Arbitration Procedure, the arbitrators have determined that NASD Regulation, Inc. shall retain the \$120.00 non-refundable filing fee previously deposited by the Claimant and have assessed the following forum fees:

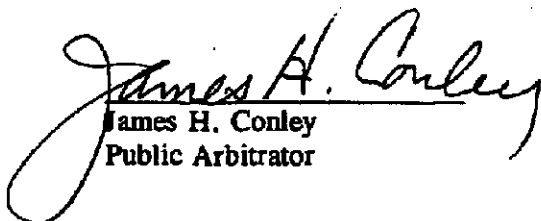
3 sessions x \$400	= \$1,200.00
minus claimant's \$400.00 deposit	= \$ 400.00
total outstanding	= \$ 800.00

Claimant Max Gamzon be and hereby is liable for the sum of \$600.00 representing one-half of the Forum Fees assessed. Claimant previously deposited \$400.00 with NASD Regulation, Inc. Therefore, Claimant Max Gamzon shall pay to NASD Regulation, Inc. \$200.00.

Respondent Michael Domin be and hereby is liable for the sum of \$600.00 representing one-half of the Forum Fees assessed. Therefore, Respondent Michael Gamzon shall pay to NASD Regulation, Inc. \$600.00.

ARBITRATORS' SIGNATURES

I, James H. Conley, do swear or affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein, who executed this instrument, which is my award.


James H. Conley
Public Arbitrator

I, Daniel B. Berkson, Esq., do swear or affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein, who executed this instrument, which is my award.


Daniel B. Berkson, Esq.
Industry Arbitrator

I, Martin L. Feinberg, Esq., do swear or affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein, who executed this instrument, which is my award.


Martin L. Feinberg, Esq.
Public Arbitrator


Date of Decision: August 18, 1997

ARBITRATORS' SIGNATURES

I, James H. Conley, do swear or affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein, who executed this instrument, which is my award.

James H. Conley
Public Arbitrator

I, Daniel B. Berkson, Esq., do swear or affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein, who executed this instrument, which is my award.


Daniel B. Berkson, Esq.
Industry Arbitrator

I, Martin L. Feinberg, Esq., do swear or affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein, who executed this instrument, which is my award.

Martin L. Feinberg, Esq.
Public Arbitrator

Date of Decision: August 18, 1997

9705115

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I, James H. Conley, do swear or affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein, who executed this instrument, which is my award.

James H. Conley
Public Arbitrator

I, Daniel B. Berkson, Esq., do swear or affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein, who executed this instrument, which is my award.

Daniel B. Berkson, Esq.
Industry Arbitrator

I, Martin L. Feinberg, Esq., do swear or affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein, who executed this instrument, which is my award.



Martin L. Feinberg, Esq.
Public Arbitrator

Date of Decision: August 18, 1997