

**Award**  
**NASD Regulation, Inc.**

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In the Matter of the Arbitration Between:

Donald Fay and Mary Fay (Claimants) vs American Investment Services, Inc.,  
Torin Greenspan, William Cutrone, Lawrence J. Penna, Herman Epstein,  
Vincent Grieco, Douglas Mangan, and Vision Global, Inc. (Respondents)

Case Number: 96-05328

Hearing Site: Chicago, Illinois

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**REPRESENTATION OF PARTIES**

Claimant Donald Fay and Mary Fay ("Fay"): Ronald Amato, Eccleston and Associates, Chicago, Illinois.

Respondent Investor's Associates, Inc. ("Investor's Associates): Bridget Montalvo, Investors Associates: Hackensack, New Jersey.

Respondents Torin Greenspan ("Greenspan"), William Cutrone ("Cutrone"), Lawrence J. Penna ("Penna"), Herman Epstein ("Epstein"), Vincent Grieco ("Grieco"), and Douglas Mangan ("Mangan") were *pro se*.

Respondent Vision Global Inc., ("Vision Global"): representation unknown.

**CASE INFORMATION**

Statement of Claim filed on or about: November 29, 1996

Claimants signed the Uniform Submission Agreement: November 26, 1996

Statement of Answer filed by Respondent Investor's Associates on or about:  
March 11, 1997

Statement of Answer filed by Respondents Greenspan and Cutrone on or about  
March 11, 1997

Statement of Answer filed by Respondent Grieco on or about: October 12, 1998

### **CASE SUMMARY**

Claimant asserted the following causes of action: (list allegations) e.g., Violation of Section 10(b) and Rule 10b-5; violation of the Illinois Securities Act of 1953; fraud; violation of the Illinois Consumer Fraud Act; breach of fiduciary duty; breach of written contract; and negligence. The causes of action relate to the order execution of the globe.com stock.

Unless specifically admitted in their Answers, Respondents Investors Associates, Greenspan, Cutrone, and Grieco denied the allegations made in the Statement of Claim.

### **RELIEF REQUESTED**

Claimants requested:

Compensatory Damages	\$29,985.75
Punitive Damages	\$70,000.00
Interest	unspecified
Attorneys' Fees	unspecified

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

Upon review of the file and the representations made by/on behalf of the Claimants, the undersigned Panel determined that Respondents Investors Associates, Greenspan, Cutrone, Penna, Epstein, and Grieco have been properly served with the Statement of Claim and received due notice of the hearing, and that arbitration of the matter would proceed without said Respondents present, in accordance with the NASD Code of Arbitration Procedure (the "Code").

Claimants withdrew without prejudice their claims against Respondents Mangan and Grieco.

Respondent Vision Global, which is not a member of the NASD, did not voluntarily submit to the NASD's jurisdiction. Claimants withdrew without prejudice their claims against Vision Global.

Respondents Greenspan, Cutrone, Penna, and Epstein did not file with the NASD Regulation, Inc. Office of Dispute Resolution a properly executed submission to arbitration but are required to submit to arbitration pursuant to the Code and are bound by the determination of the Panel on all issues submitted.

### **AWARD**

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

1. Respondents Investors Associates, Inc., Torin Greenspan, William M. Cutrone, Lawrence Penna, and Herman Epstein are jointly and severally liable to Claimants Donald and Mary Fay in the amount of \$36,469.00 as compensatory damages and interest.
2. Respondents Investors Associates, Inc., Torin Greenspan, William M. Cutrone, Lawrence Penna, and Herman Epstein are jointly and severally liable to Claimants Donald and Mary Fay in the amount of \$18,000.00 as punitive damages pursuant to Illinois Securities Law and Common Law.
3. Respondents Investors Associates, Inc., Torin Greenspan, William M. Cutrone, Lawrence Penna, and Herman Epstein are jointly and severally liable to Claimants Donald and Mary Fay in the amount of \$5000.00 as attorney's fees.
4. Any and all relief not specifically addressed herein is denied.

### **FEES**

Pursuant to the Code, the following fees are assessed:

#### **Filing Fees**

NASD Regulation, Inc. will retain or collect the non-refundable filing fees for each claim:

Initial claim filing fee = \$150.00

#### **Member Fees**

Member fees are assessed to each member firm that is a party in these proceedings or to the member firm that employed the associated person at the time of the event giving rise to the dispute. In this matter, the member firm is a party.

Member surcharge = \$300.00

#### **Adjournment Fees**

Adjournments requested during these proceedings:

January 13-15, 1998 adjournment by party Investors Associates = \$500.00

#### **Forum Fees and Assessments**

The Panel assesses forum fees for each hearing session conducted. A hearing session is any meeting between the parties and the arbitrators, including a pre-hearing conference with the arbitrators, that lasts four (4) hours or less. Fees associated with these proceedings are:

One (1) Pre-hearing session with Panel x \$500.00 = \$500.00  
Pre-hearing conference: August 31, 2000 1 session

One (1) Hearing sessions x \$500.00 = \$500.00  
Hearing Date: November 02, 2000 1 session

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Total Forum Fees = \$1000.00

1. The Panel has assessed \$1000.00 of the forum fees jointly and severally to Respondents Greenspan, Cutrone, Investors Associates, Epstein, and Penna.

**Fee Summary**

1. Claimant Fay be and hereby is solely liable for:

Initial Filing Fee	= \$ 150.00
Total Fees	= \$ 150.00
Less payments	= \$ 650.00
Refund Due From NASD Regulation, Inc.	= \$ 500.00

2. Respondent Investor's Associates be and hereby is solely liable for:

Member Fees	= \$300.00
Adjournment Fee	= \$500.00
Total Fees	= \$800.00
Less payments	= \$500.00
Balance Due NASD Regulation, Inc.	= \$300.00

3. Respondents Respondents Greenspan, Cutrone, Investors Associates, Epstein, and Penna shall be and hereby are jointly and severally liable for:

Forum Fee	= \$1,000.00
Balance Due NASD Regulation, Inc.	= \$1,000.00

All balances are due to NASD Regulation, Inc.

**Concurring Arbitrators' Signatures**

/s/ John J. Enright

November 28, 2000

John J. Enright, Esq.  
Public Arbitrator, Presiding Chair

Signature Date

/s/ Steven Samson

November 29, 2000

Steven Samson, Esq.  
Public Arbitrator

Signature Date

/s/ Michael Steinberg

November 29, 2000

Michael Steinberg, Esq.  
Industry Arbitrator

Signature Date

December 05, 2000

Date of Service (For NASD office use only)

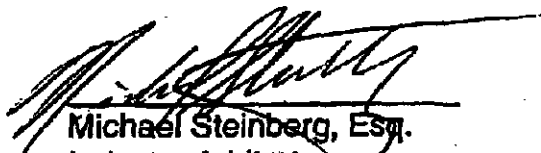
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Public Arbitrator, Presiding Chair

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Signature Date

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Steven Samson, Esq.  
Public Arbitrator

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Signature Date

  
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Michael Steinberg, Esq.  
Industry Arbitrator

11/29/00  
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Signature Date

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