

NASD REGULATION, INC. AWARD

In the Matter of the Arbitration Between

Name of Claimant

Stefan Lumiere

Case No.
96-05373

Names of Respondents

Michael J. Alpert
Emanuel & Company
Goldis Financial Group, Inc.
Matthew J. Emanuel
Starlog Franchise Corp.

REPRESENTATION

For claimant Stefan Lumiere ("claimant") appeared Christopher J. Schulze, Esq., with offices located in New York, New York.

For respondent Michael J. Alpert ("Alpert") appeared Seth T. Taube, Esq. of the law offices McCarter & English located in Newark, New Jersey.

Respondent Emanuel & Company ("Emanuel & Co.") did not enter an appearance in this matter.

For respondent Goldis Financial Group, Inc. ("Goldis") appeared Howard Eilen, Esq. of the law offices Lehman & Eilen located in Uniondale, New York.

Respondent Matthew J. Emanuel ("Emanuel") appeared pro se.

By letter dated January 22, 1997, claimant withdrew all claims against respondent Starlog Franchise Corp. ("Starlog") and, therefore, Starlog did not enter an appearance in this matter.

CASE INFORMATION

Claimant's Statement of Claim was filed on: December 2, 1996.

Claimant's Submission Agreement was signed on: December 2, 1996.

A Statement of Answer was filed by Alpert on: March 26, 1997.

Alpert's Submission Agreement was signed on: April 2, 1997.

Respondent Emanuel & Co. did not file a Statement of Answer or a properly executed

Submission Agreement.

A Statement of Answer was filed by Goldis on: March 17, 1997.
Goldis' Submission Agreement was signed on: March 14, 1997.

A Statement of Answer was filed by Emanuel on: March 3, 1997.
Emanuel's Submission Agreement was signed on: February 28, 1997.

HEARING INFORMATION

Pre-Hearing Conferences:	July 14, 1997	-	One Session
	December 11, 1997	-	One Session
Hearing Dates/Sessions:	December 15, 1997	-	Two Sessions
	December 16, 1997	-	Two Sessions

The hearings were conducted at the offices of NASD Regulation, Inc. located in New York, New York.

CASE SUMMARY

Claimant maintained that he was an unsophisticated investor. Claimant alleged that, in October, 1993, Alpert convinced him to invest in Starlog by telling him that it was a "sure thing" and that the stock was guaranteed to double in the first month. Claimant contended that he placed a stop limit order at \$7.00 per share for 800 shares of Starlog and that in spite of this limit order, these shares of Starlog were purchased at \$7.25 per share. Claimant maintained that he was advised that Emanuel & Co. was the underwriter for the IPO issue of Starlog and that, in August, 1994, Emanuel & Co. terminated its brokerage business and its accounts were taken over by Goldis.

Alpert denied advising claimant that an investment in Starlog was a "sure thing" or that the price of Starlog would double within a specific time period. Alpert contended that claimant was a sophisticated investor who read the prospectus which disclosed the risks of investing in Starlog. Alpert also contended that prior to investing in Starlog, claimant conducted his own due diligence regarding the investment. Alpert denied that claimant put a stop limit order on his after market purchase because stop limit orders are not possible on small cap stocks.

Goldis contended that claimant did not purchase the securities at issue from it and that none of the alleged representations made to claimant were made by an agent, broker or employee of Goldis. In addition, Goldis maintained that it did not assume the assets or liabilities of Emanuel & Co.

Emanuel maintained that he was never a principal shareholder and/or owner of Emanuel & Co. In addition, Emanuel maintained that he never had any dealings with claimant's account.

RELIEF REQUESTED

Claimant requested actual damages in the amount of \$26,700.00, plus actual damages in the amount of \$14,077.66 for loss of earning potential. In addition, claimant requested punitive damages in the amount of \$1,000,000.00. By letter dated December 5, 1997 claimant withdrew his request for \$1,000,000.00 in punitive damages.

Alpert requested that the Statement of Claim be dismissed in its entirety. In addition, in his counterclaim, Alpert requested actual damages in an amount in excess of \$10,000.00 plus legal fees, and unspecified damages for loss of reputation.

Goldis requested that the Statement of Claim be dismissed in its entirety and that all costs and attorneys' fees be assessed against claimant.

Emanuel requested that the Statement of 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, Inc.

By letter dated January 22, 1997, claimant withdrew all claims against Starlog and, therefore, Starlog did not enter an appearance in this matter.

Pursuant to the Stipulation of Withdrawal dated November 20, 1997, claimant withdrew all claims with prejudice against Goldis and, therefore, Goldis did not appear at the hearing.

Prior to the hearing claimant withdrew all claims against Emanuel and, therefore, Emanuel did not appear at the hearing.

At the conclusion of the hearing, claimant withdrew all claims against Alpert and Alpert withdrew all counterclaims against claimant.

The panel made the following determinations concerning Emanuel & Co., who did not file a Statement of Answer or a Submission Agreement and who did not appear at the hearing in this matter:

1. Pursuant to Rule 10101 of the Code of Arbitration Procedure (the "Code"), the panel found subject matter jurisdiction over this entire controversy.
2. The panel found that Emanuel & Co. was required to file a Statement of Answer and Submission Agreement with NASD Regulation, Inc. pursuant to Rule 10314(b) of the Code. In this regard, the panel found that the Statement of Claim was properly served upon Emanuel & Co. pursuant to Rule 10314(a) of the Code.

3. In accordance with Rules 10310, 10315 and 10318 of the Code, the panel found that NASD Regulation, Inc. provided Respondent Emanuel with "due notice" of the hearings conducted in this matter by regular and certified mail. The panel further determined to proceed with the hearing without Emanuel & Co., whose absence was unexcused.

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. Claimant's claims against Emanuel & Co. are hereby dismissed.
2. Based upon the merits of this case, the panel hereby orders that all references to this arbitration be expunged from Alpert's permanent CRD record by NASD Regulation, Inc.
3. Based upon the merits of this case, the panel hereby orders that all references to this arbitration be expunged from Emanuel's permanent CRD record by NASD Regulation, Inc.
4. All other requests are hereby denied.

FORUM FEES

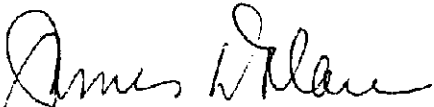
Pursuant to Rule 10332(c) of the Code, the arbitrators have determined that NASD Regulation, Inc. will retain the \$120.00 non-refundable filing fee previously submitted by claimant, and the \$500.00 non-refundable filing fee previously submitted by Alpert, and have assessed the following forum fees:

member surcharge for Goldis	=	\$ 500.00
1 pre-hearing conference x \$300.00	=	\$ 300.00
1 pre-hearing conference (with full panel)	=	\$ 400.00
4 hearing sessions x \$400.00	=	\$1,600.00

1. Claimant be and hereby is liable for the sum of \$2,300.00, representing the total amount of forum fees assessed. Claimant previously deposited \$1,130.00 and Alpert previously deposited \$600.00 with NASD Regulation, Inc. and, therefore, claimant shall pay the balance of \$570.00 to NASD Regulation, Inc.
2. Goldis be and hereby is liable for and shall pay the sum of \$500.00 for the member surcharge.

Fees are payable to NASD Regulation, Inc.

ARBITRATORS' SIGNATURES



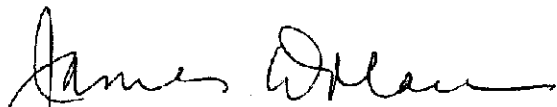
James Dolan, Esq.
Chairperson-Public Arbitrator

Alice E. Winkler, Esq.
Public Arbitrator

Michael E. Olney
Industry Arbitrator

Date of Decision: February 5, 1998

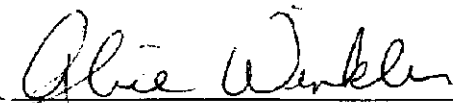
I, **James Dolan, Esq.**, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules that I am the individual described herein and who executed this instrument which is my award.



James Dolan, Esq.

ARBITRATORS' SIGNATURES

James Dolan, Esq.
Chairperson-Public Arbitrator




Alice E. Winkler, Esq.
Public Arbitrator

Michael E. Olney, Esq.
Industry Arbitrator

Date of Decision: February 5, 1998

I, Alice E. Winkler, Esq., do hereby affirm pursuant, to Article 7507 of the Civil Practice Law and Rules that I am the individual described herein and who executed this instrument which is my award.




Alice E. Winkler, Esq.

ARBITRATORS' SIGNATURES

James Dolan, Esq.
Chairperson-Public Arbitrator

Alice E. Winkler, Esq.
Public Arbitrator



Michael E. Olney
Industry Arbitrator

Date of Decision: February 5, 1998

I, Michael E. Olney, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules that I am the individual described herein and who executed this instrument which is my award.



Michael E. Olney