

AWARD

NASD REGULATION, INC.

In the matter of the Arbitration Between

Name of Claimant

Ronald G. Calvarese

v.

Arbitration No.
96-05407

Name of Respondents

Landmark International Equities, Inc.,
Marlow Lloyd Gish, Edward Peter O'Grady, Yuri Aulov,
named herein as Yuri Yulov, Craig Steven Redding,
Eric J. Aronson, William Nunziato, Martin Drayer,
Howard Berger and Paul Italia

REPRESENTATION

For Claimant:

Paul W. Thomas, Esq.
Paul W. Thomas & Associates
Carlsbad, California

For Respondents:

Did Not Appear

CASE INFORMATION

Statement of Claim filed:

December 5, 1996

Claimant's Submission Agreement signed:

May 20, 1996

Statement of Answer filed by
Respondent Eric J. Aronson:

May 1, 1997

Statement of Answer filed by
Respondent Howard Berger:

June 24, 1997

Statement of Answer filed by
Respondent Marlow Lloyd Gish:

February 10, 1997

Statement of Answer filed by Respondent Yuri Aulov:	February 10, 1997
Statement of Answer filed by Respondent Edward Peter O'Grady:	January 22, 1997
Statement of Answer filed by Respondent Craig Steven Redding:	July 23, 1997
Respondent Yuri Aulov's Submission Agreement signed:	February 24, 1997
Respondent Marlow Lloyd Gish's Submission Agreement signed:	February 24, 1997
Respondent Edward Peter O'Grady's Submission Agreement signed:	February 18, 1997
Respondent Howard Berger's Submission Agreement signed:	June 23, 1997
Respondent Edward Peter O'Grady's Cross Claim filed:	December 5, 1997

HEARING INFORMATION

Pre Hearing Conference Dates / Sessions:	November 10, 1997 (1 Session)
Hearing Dates / Sessions:	January 4, 1999 (1 Session)
Hearing Location:	Los Angeles, California

CASE SUMMARY

Claimant alleged that Respondents committed fraud, made misrepresentations, breached the fiduciary duty owed to Claimant, recommended unsuitable securities, and violated the rules of the National Association of Securities Dealers. Claimant also alleged that Respondents, Landmark International Equities, Inc., Marlow Lloyd Gish, Edward Peter O'Grady, Yuri Yulov and Craig Steven Redding violated California's "Blue Sky" laws. Claimant further alleged that Respondents William Nunziato, Martin Drayer, Howard Berger, Paul Italia and Eric J. Aronson, as principles of Landmark International Equities, Inc., failed to supervise the activities of the registered representatives so as to prevent violation of the rules of the National Association of Securities Dealers.

The Answering Respondents denied each and every allegation of wrongdoing set forth in the Claimant's Statement of Claim.

RELIEF REQUESTED

Claimant requested \$72,340.00 in compensatory damages, punitive damages, prejudgment interest, attorney's fees, and costs.

All Answering Respondents requested that the Arbitration Panel dismiss the Claimant's claim in its entirety. Respondents Eric J. Aronson and Edward O'Grady also requested attorney's fees and costs.

OTHER ISSUES CONSIDERED AND DECIDED

The parties have agreed that the Award in this matter may be executed either 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 original remains on file with the NASD Regulation, Inc., Office of Dispute Resolution.

On November 10, 1997 Respondent Edward Peter O'Grady was dismissed during the Initial Pre-Hearing Conference.

On May 5, 1997 the NASD was informed by correspondence that the claim against Respondent Martin Drayer was dismissed due to his death.

On May 16, 1997, Claimant settled with Respondent Paul Italia and dismissed him from this action.

On October 23, 1997, the NASD was informed by correspondence that the claim against Respondent Eric J. Aronson was dismissed with prejudice.

On November 25, 1998, the NASD was informed by correspondence that the claim against Respondent Howard Berger was dismissed with prejudice.

The Panel deemed Claimant's Motions to Bar Defenses as moot, and did not make a ruling on the motions.

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) The Arbitration Panel determined that Landmark International Equities, Inc. was not served, and therefore the Panel did not have jurisdiction over this Respondent. All claims against Respondent Landmark International Equities, Inc. were therefore dismissed without prejudice.
- 2) Respondent William Nunziato is liable to and shall pay Claimant the sum of \$85,000.00 in compensatory damages plus ten percent (10%) interest from the date of the award until paid.
- 3) Respondent Marlow Lloyd Gish is liable to and shall pay Claimant the sum of \$78,400.00 in compensatory damages plus ten percent (10%) interest from the date of the award until paid.
- 4) Respondent Yuri Aulov, named herein as Yuri Yulov, is liable to and shall pay Claimant the sum of \$6,600.00 plus ten percent (10%) interest from the date of the award until paid.
- 5) The maximum recovery from all Respondents is not to exceed \$85,000.00 plus ten percent (10%) interest from the date of the award.
- 6) All claims against Respondent Redding are denied.
- 7) Claimant's claim for punitive damages is denied.
- 8) The parties shall bear their own costs, including attorney's fees.
- 9) All claims not expressly granted are denied.

FORUM FEES

Pursuant to Rule 10332(c) of the Code of Arbitration Procedure, the following forum fees are assessed jointly and severally against Respondents William Nunziato, Marlow Lloyd Gish and Yuri Aulov, named herein as Yuri Yulov:

One Pre-Hearing Conference Session @ \$500.00 / Session	= \$ 500.00
One Hearing Sessions @ \$500.00 / Session	= \$ 500.00
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Respondents William Nunziato, Marlow Lloyd Gish, and Yuri Aulov, named herein as Yuri Yulov's Balance Due:	= \$1,000.00

The NASD shall refund Claimant's Hearing Session Deposit

Fees are payable to NASD Regulation, Inc.

OTHER FEES

Pursuant to Rule 10333 of the Code, Respondent Landmark International Equities, Inc., shall pay to NASD Regulation, Inc. the \$ 300.00 member surcharge.

ARBITRATORS

<u>Name</u>	<u>Public / Industry</u>
Kenneth E. Owen, Esq.	Public Arbitrator
Walter W. Klosterman	Industry Arbitrator
Herbert Leslie Greenberg, Esq.	Public Arbitrator

Concurring Arbitrators' Signatures

Kenneth E. Owen, Esq.



Walter W. Klosterman

Herbert Leslie Greenberg, Esq.

Date of Service: April 5, 1999

ARBITRATORS

<u>Name</u>	<u>Public / Industry</u>
Kenneth E. Owen, Esq.	Public Arbitrator
Walter W. Klosterman	Industry Arbitrator
Herbert Leslie Greenberg, Esq.	Public Arbitrator

Concurring Arbitrators' Signatures


Kenneth E. Owen, Esq.

Walter W. Klosterman


Herbert Leslie Greenberg, Esq.

Date of Service: April 5, 1999