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NASD REGULATION AWARD

NASD REGULATION, INC. OFFICE OF DISPUTE RESOLUTION

In the Matter of the Arbitration Between

Name of Claimant

Peter Paul Mattejat

96-05498

Name of Respondent

Mario DePinto

REPRESENTATION

Claimant Peter Paul Mattejat ("Claimant") represented himself.

Respondent Mario DePinto ("Respondent") was represented by Jenice Malecki of the law firm of Singer Zamansky, LLP, New York, NY

CASE INFORMATION

Statement of Claim filed: December 6, 1996

Claimant's Submission Agreement signed on: December 6, 1996

Statement of Answer filed by Respondent on: February 6, 1997

Respondent's Submission Agreement signed on: February 5, 1997

HEARING INFORMATION

Hearing Date/Sessions: July 23, 1997 - two sessions

Hearing Location: NASD, Inc. Executive Offices, Washington, D.C.

CASE SUMMARY

Claimant alleged, among other things, that Respondent made three unauthorized transactions in his account during the period November 1993 through January, 1994. Claimant alleged that Respondent made three sales and purchases of small capital stocks without Claimant's knowledge or consent. Claimant alleged that these sales and purchases were inconsistent with his stated investment objective. Claimant alleged that as a result of these unauthorized transactions Claimant's account became 80% concentrated in a single stock, American Complex Care, Inc. ("ACCI"). Claimant alleged that Respondent failed to disclose material adverse information about the financial condition of ACCI which

he knew or should have known at the time of the purchases. Claimant alleged that as a result of Respondent's wrongdoing the value of Claimant's account decreased in value by \$21,645.

Respondent categorically denied all allegation of wrongdoing. Respondent maintained, among other things, that Claimant knowingly entered and authorized all trades and that certain payments by Claimant of additional payments of additional funds into his account contemporaneously with the purchases indicates that the trades were authorized. Respondent maintained that Claimant understood and realized the risks relative to his investment activities, including awareness of profit and loss potential. Respondent also maintained that the Claimant failed to mitigate the losses in his account by holding the investments as they declined in value and that Claimant improperly seeks to shift responsibility for his monetary losses to respondent..

RELIEF REQUESTED

Claimant requested damages in the amount of \$21,645 plus reimbursement for all NASD arbitration fees and 8% annual interest.

Respondent requested that Claimant's claim be dismissed in its entirety and that attorney's fees and costs be awarded to Respondent.

AWARD

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

1. That Respondent Mario De Pinto is liable to Claimant Peter Paul Mattejat and shall pay to Claimant the sum of \$9,000, plus post hearing interest to begin to run from thirty days after the award is received by Respondent until the date the Award is paid at the rate of 8% simple interest per annum.
2. That all parties shall bear their own costs and expenses except as forum fees are addressed herein.
3. That any and all claims not specifically addressed herein are denied in their entirety.

FORUM FEES

Pursuant to Rule 10332 of the Code of Arbitration Procedure, the following Forum Fees are assessed.

2 sessions x \$300 = \$600

Forum Fees Assessed Against: 50% assessed against Claimant and 50% assessed against Respondent. Claimant is assessed forum fees in the amount of \$300, however, Claimant is entitled to offset this amount with his hearing session of \$300 previously filed so that no additional fees are due from Claimant. Respondent is assessed forum fees in the amount of \$300.

Fees are payable to the NASD Regulation, Inc.

Arbitrator's Signature

Name



Albert D. Sturtevant, Esq., Presiding Arbitrator
Public Arbitrator

Date Award Signed

7/30/97

Date Award Served by the NASD Regulation, Inc.:

July 31, 1997