

12/5/97 9/11/2113
NASD REGULATION, INC. AWARD

In the Matter of the Arbitration Between

Name of Claimant

Patricia Venner

97-00062

Name of Respondent

Josephthal Lyon & Ross Inc.

REPRESENTATION

Claimant Patricia Venner ("Claimant") appeared pro se.

For Respondent Josephthal Lyon & Ross ("Respondent") appeared John Bersin, Esq., Associate General Counsel of Josephthal Lyon & Ross Inc.

CASE INFORMATION

Statement of Claim was filed on January 6, 1997. Claimant's Submission Agreement was signed on January 6, 1997.

Statement of Answer was filed by Respondent on March 19, 1997. Respondent's Submission Agreement was signed on February 19, 1997.

HEARING INFORMATION

Hearing Date/Sessions: October 13, 1997 - One Session

The hearing was held at the offices of NASD Regulation, Inc. located in New York, New York.

CASE SUMMARY

Claimant alleged that, on January 9, 1987, she purchased 1000 shares of Custom Energy Services Inc. and that the account was held by Respondent's predecessor, Moore & Schley. Claimant further alleged that, when the value of the stock rose in 1994, she tried to sell all 1000 shares, but was told that she owned only ten shares. Claimant maintained that only then was she notified that the stock reverse split to ten shares in November of 1991. Claimant further maintained that Respondent breached its duty in failing to notify her of the reverse split.

In her Amended Statement of Claim, Claimant alleged that she believed that American Stock Transfer Co. held the duty of notification of the reverse split, but that she did not receive notice because Respondent failed to notify American Stock Transfer Co. of her new address.

Respondent maintained that, although it was servicing Claimant's account, on the date of the one for ten reverse split, Claimant either no longer owned shares of Custom Energy or held these shares at another firm. Respondent maintained that the documented history of Claimant's account showed that she no longer owned shares of Custom Services as early as December of 1990, and, therefore, Claimant could not have suffered any damages as a result of the reverse split.

RELIEF REQUESTED

Claimant requested actual damages of \$3,500 and punitive damages of \$1,500.

Respondent requested that claimant's complaint be dismissed in its entirety, and that attorney's fees and costs be awarded to it, to defend against this frivolous claim.

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:

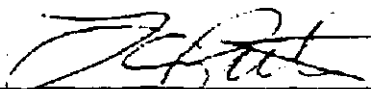
1. All claims against Respondent are dismissed in their entirety.
2. Each party shall bear their respective costs, including attorney's fees.

FORUM FEES

Pursuant to Rule 10332(c) of the Code of Arbitration Procedure, the arbitrator has determined that NASD Regulation, Inc., shall retain the \$75.00 non-refundable filing fee and \$75.00 hearing session deposit previously paid by Claimant in full consideration for the hearing conducted in this matter.

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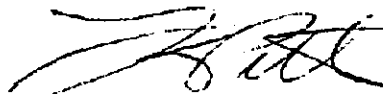
Arbitrator's Signature



Lawrence A. Pittore, Esq.
Public Arbitrator

Date of Decision: December 16, 1997

I, Lawrence A. Pittore, 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.



Lawrence A. Pittore, Esq.