

NASD AWARD

NASD Regulation, Inc.

In the Matter of the Arbitration Between

Name of Claimant

Arthur M. Wein

Alice F. Wein

and

Case Number

98-00075

Name of Respondent

Investors Associates, Inc.

Torin G. Greenspan

William M. Cutrone

Troy V. Wren

Frank H. DiCarlo

Robert N. Conforte, Jr.

REPRESENTATION OF PARTIES

For Arthur M. Wein and Alice F. Wein ("Claimants") appeared S. Herman Klarsfeld, Esq. a sole practioner located in New York, New York.

For Investors Associates, ("Investors") appeared Bridget Montalvo of Investors Associates, Inc. located in Hackensack, New Jersey.

Torin G. Greenspan ("Greenspan") did not appear.

William M. Cutrone ("Cutrone") did not appear.

For Troy V. Wren ("Wren") appeared Scott M. Zucker a sole practioner located in Lake Success, New York.

Frank H. DiCarlo ("DiCarlo") appeared pro se.

For Robert N. Conforte ("Conforte") appeared Steven A. Samide, Jr., Esq. of Mintz & Gold LLP located in New York, New York.

CASE INFORMATION

Claimant filed the Statement of Claim on January 8, 1998.
Claimant signed the Uniform Submission Agreement on December 30, 1997.

Investors did not file a Statement of Answer.
Investors did not sign the Uniform Submission Agreement.

Greenspan did not file a Statement of Answer.
Greenspan did not sign the Uniform Submission Agreement.

Cutrone did not file a Statement of Answer.
Cutrone did not sign the Uniform Submission Agreement.

Wren filed a Statement of Answer on February 12, 1998.
Wren signed the Uniform Submission Agreement on February 12, 1998.

DiCarlo filed a Statement of Answer April 2, 1998.
DiCarlo signed the Uniform Submission Agreement on March 28, 1998.

HEARING INFORMATION

Pre-Hearing Conference:	June 15, 1998	One Session
Hearing Dates:	August 5, 1998	Two Sessions

The hearings were held at the NASD Regulation, Inc., office in New York, New York.

CASE SUMMARY

Claimant alleged that Greenspan executed several unauthorized trades in his account. According to the Statement of Claim, Greenspan continuously executed trades at prices other than the trade price authorized by Claimant. Claimant also alleged that Greenspan made misrepresentations which included advising him that a commission would not be assessed on his first trade. According to Claimant, the fee was not waived. Claimant also alleged that his account was assessed fees that he did not authorize.

Claimant also alleged that Greenspan and Wren, Greenspan's assistant, failed to return his calls when he was attempting to sell securities which were falling in price. Claimant alleged that he was telephoned by Wren concerning the fall in one of the securities purchased by Claimant. Claimant alleged that Wren advised him that he should not be worried about any losses suffered and

that Investors would make up any losses resulting from the purchase of the stock. Claimant further provided that he spoke with one of the firm's principals, Cutrone, who advised him that Greenspan would be disciplined and that he [Cutrone] would personally take over Claimant's account. However, Claimant further noted that on several occasions he was unable to execute trades because he could not reach Cutrone via telephone. Claimant alleged that Greenspan's acts were negligent in that Greenspan failed to exercise due care in maintaining Claimant's account.

Wren denied the wrongdoings set forth in the Statement of Claim. Specifically, Wren denied the existence of a broker/client relationship between himself and Claimant. Wren also alleged that the one trade listed under his registered representative number was canceled within three calendar days, in that the trade was a mistake.

Conforte also denied the alleged wrongdoings set forth in the Statement of Claim. Conforte maintained that he did not have any type of relationship with Claimant, he was not a registered representative with Investors, he did not supervise, direct or control Investors registered representative. Conforte alleged that the sole allegation, that he contacted Claimant pursuant to an investigation of a trade executed in error, did not constitute a cause of action. Accordingly, Conforte requested the Statement of Claim be dismissed as to him.

Investors, Greenspan, and DiCarlo did not submit Answers.

RELIEF REQUESTED

Claimant requested:

1. \$44,268.45 in compensatory damages, plus interest.
2. Attorney's fees and cost totaling \$12,777; and
3. \$50,000 punitive damages.

Respondents denied the claims asserted against them and asked the panel to award them costs and attorneys' fees.

OTHER ISSUES CONSIDERED & DECIDED

Upon review of the file and the representations made on behalf of the Claimant, the undersigned arbitrators have determined that Investors, Greenspan, and DiCarlo were properly served with the Statement of Claim pursuant to Rules 10302 and 10314 of the NASD Code of Arbitration Procedure (the "Code"). The undersigned arbitrators have also determined that Investors,

Greenspan, and DiCarlo received due notice of the hearing as required under Rule 10315 of the Code and that arbitration of the matter would proceed pursuant to Rule 10318 of the Code.

Investors, Greenspan, and DiCarlo did not file with NASD Regulation, Inc. Office of Dispute Resolution a properly executed submission to arbitration but are required to submit to arbitration pursuant to Rule 10301 of the NASD Code of Arbitration Procedure (the "Code") and are bound by the determination of the arbitration panel on all issues submitted.

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 original remains on file with NASD Regulation, Inc. Office of Dispute Resolution.

Wren and Conforte settled this matter prior to the hearing.

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. Investors, Greenspan and Cutrone, are jointly and severally liable to pay claimant \$41,807.09, plus interest at 9 percent to begin accruing January 28, 1997 until payment of award.
2. The claims against DiCarlo are dismissed.
3. Claimants' request for attorney fees and costs are denied.
4. Claimants' request for punitive damages is denied.
5. All other requests not herein specified are denied.

FORUM FEES

Pursuant to Rule 10332 of the NASD Code of Arbitration Procedure, the arbitrators have determined that the NASD will retain the \$150.00 filing fee deposited by the Claimants.

The arbitrators have assessed the following forum fees:

1 Pre-Hearing Conference	x	\$750.00	\$ 750.00
Full Panel			

2 Hearing Sessions	x	\$750.00	<u>\$1,500.00</u>
Total Forum Fees			\$2,250.00

The panel has determined that NASD shall retain Claimant's \$500.00 hearing session deposit and directs Respondents Investors, Greenspan, and Cutrone, jointly and severally, to reimburse Claimants' \$500.00 hearing session deposit.

The panel determined that the remaining forum fees of \$1,750.00, shall be jointly and severally assessed to Respondents Investors, Greenspan, and Cutrone.


Fees are payable to NASD Regulation, Inc.

NASD Regulation, Inc. Office of Dispute Resolution
Arbitration No. 98-00075
Award Page 6 of 8

ARBITRATION PANEL

Richard Vallario -Public Chairperson
William H. Conlan -Public Panelist
Marcia Kessler -Industry Panelist

ARBITRATOR'S SIGNATURE

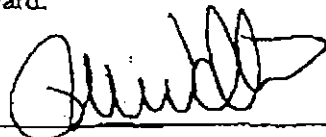


Richard Vallario
Public Chairperson

Date Decision Served by NASD Regulation, Inc.:

October 6, 1998

I, Richard Vallario, 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.



NASD Regulation, Inc. Office of Dispute Resolution
Arbitration No. 98-00075
Award Page 7 of 8

ARBITRATION PANEL

Richard Vallario -Public Chairperson
William H. Conlan -Public Panelist
Marcia Kessler -Industry Panelist

ARBITRATOR'S SIGNATURE

William H. Conlan
Public Panelist

Date Decision Served by NASD Regulation, Inc.:

October 6, 1998

I, William H. Conlan, 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.



NASD Regulation, Inc. Office of Dispute Resolution
Arbitration No. 98-00073

Award Page 8 of 8

ARBITRATION PANEL

Richard Vallario -Public Chairperson
William H. Conlan -Public Panelist
Marcia Kessler -Industry Panelist

ARBITRATOR'S SIGNATURE



Marcia Kessler
Industry Panelist

Date Decision Served by NASD Regulation, Inc.:



I, Marcia Kessler, 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.

