

AWARD

NASD REGULATION, INC.

In the matter of the Arbitration Between

Name of Claimant

James J. Weber

v.

Arbitration No.
98-00490

Name of Respondents

European Community Capital, Ltd.,
Anthony Duque, Marc Freeman, Jeffrey
Lefkowitz, Alfred Bromberg, Joseph
Krochak, First United Equities Corp.,
James Pelizzi, Jason Cohen, Jonathan
Winston, Frank Giacchetto, and Douglas Traynor

REPRESENTATION

For Claimant:	Jay R. Stein, Esq. Law Offices of Jay R. Stein Los Angeles, California
For Respondent First Union Equities Corp.:	No Appearance
For Respondent James Pelizzi:	No Appearance
For Respondent Jason Cohen:	No Appearance
For Respondent Jonathan Winston:	No Appearance

CASE INFORMATION

Statement of Claim filed:	February 5, 1998
Claimant's Submission Agreement signed:	February 2, 1998
Statement of Answer filed by Respondents European Community Capital, Ltd., Alfred Bromberg, Joseph Krochak, Anthony Duque, Marc Freeman, and Jeffery Lefkowitz:	May 4, 1998
Statement of Answer filed by Respondent Douglas Traynor:	April 6, 1998
Statement of Answer filed by Respondent James Pelizzi:	August 3, 1998

HEARING INFORMATION

Pre-Hearing Conference Dates / Sessions:	July 9, 1998 (One Session) August 31, 1998 (One Session) December 17, 1998 (One Session) May 17, 1998 (One Session)
Hearing Date / Session:	July 19, 1999 (One Session)
Hearing Location:	Los Angeles, California

CASE SUMMARY

Claimant alleged fraud, negligence, misrepresentation, churning, failure to supervise and breach of fiduciary duty. Claimant further alleged that Respondents Anthony Duque, Marc Freeman, and European Community Capital, Ltd. were not properly registered to sell securities in the State of California.

Respondents European Community Capital, Ltd., Anthony Duque, Marc Freeman, Jeffrey Lefkowitz, Alfred Bromberg, Joseph Krochak, James Pelizzi, and Douglas Traynor denied each and every allegation of wrongdoing set forth in the Claimant's Statement of Claim.

RELIEF REQUESTED

Claimant requested \$235,600.00 in compensatory damages, punitive damages, interest, and reimbursement of costs and attorney's fees.

Respondents European Community Capital, Ltd., Anthony Duque, Marc Freeman, Jeffrey Lefkowitz, Alfred Bromberg, Joseph Krochak, James Pelizzi, and Douglas Traynor requested dismissal of the Claimant's Statement of Claim in its entirety and reimbursement of 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 March 19, 1998, Claimant withdrew all claims against Respondent Frank Giacchetto.

On July 19, 1999, the Panel dismissed with prejudice Respondents European Community Capital, Ltd., Anthony Duque, Marc Freeman, and Joseph Krochak.

On July 19, 1999, the Claimant dismissed without prejudice Respondents Alfred Bromberg, Jeffery Lefkowitz, and Douglas Traynor.

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 panel finds that Respondents First United Equity Corp., James Pelizzi, Jason Cohen, and Jonathan Winston were served with Claimant's Statement of Claim and had due notice of the arbitration hearing dates and times.
- 2) The panel finds that Respondents First United Equities Corp., James Pelizzi, Jason Cohen, and Jonathan Winston engaged in fraud.
- 3) Respondents First United Equities Corp., James Pelizzi, Jason Cohen, and Jonathan Winston are jointly and severally liable to and shall pay the Claimant \$63,112.95.
- 4) All relief requested and not expressly granted is denied.

FORUM FEES

Pursuant to Rule 10332(c) of the Code of Arbitration Procedure, the following forum fees are assessed:

Two Single-Panelist Pre-Hearing Conference Session @ \$300.00 / Session	= \$ 600.00
Two Full Panel Pre-Hearing Conference Session @ \$750.00 / Session	= \$1,500.00
One Hearing Session @ \$750.00/ Session	= \$ 750.00
<u>Total Fees Assessed</u>	<u>= \$2,850.00</u>

<u>Credit for Claimant's Hearing Session Deposit</u>	<u>= (\$750.00)</u>
Claimant's Credit Due	= (\$750.00)

Respondents First United Equities Corp., James Pelizzi, Jason Cohen and Jonathan Winston's	
<u>Joint and Several Share of Forum Fees</u>	<u>= \$2,850.00</u>
Respondents First United Equities Corp., James Pelizzi, Jason Cohen and Jonathan Winston's Balance Due	= \$2,850.00

NASD Regulation, Inc. shall refund Claimant's Hearing Session Deposit.

Fees are payable to NASD Regulation, Inc.

OTHER FEES

Pursuant to Rule 10333 of the Code, Respondent First United Equities Corp. has paid to NASD Regulation, Inc. the \$1,500.00 member surcharge previously invoiced.

Pursuant to Rule 10333 of the Code, Respondent European Community Capital, Ltd. has paid to NASD Regulation, Inc. the \$1,500.00 member surcharge previously invoiced.

Pursuant to Rule 10333 of the Code, Respondent First United Equities Corp. has paid to NASD Regulation, Inc. the \$600.00 member pre-hearing process fee previously invoiced.

Pursuant to Rule 10333 of the Code, Respondent European Community Capital, Ltd. shall pay to NASD Regulation, Inc. the \$600.00 member pre-hearing process fee previously invoiced.

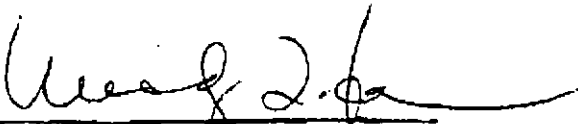
Pursuant to Rule 10333 of the Code, Respondent First United Equities Corp. shall pay to NASD Regulation, Inc. the \$2,500.00 past due member hearing process fee previously invoiced.

Pursuant to Rule 10333 of the Code, Respondent European Community Capital, Ltd. shall pay to NASD Regulation, Inc. the \$2,500.00 past due member hearing process fee previously invoiced.

ARBITRATORS

<u>Name</u>	<u>Public / Industry</u>
Wendy L. Kohn, Esq.	Public Arbitrator
John H. Knight, Jr., CPA	Industry Arbitrator
Albert N. Greenfield, Esq.	Public Arbitrator

Concurring Arbitrators' Signatures


Wendy L. Kohn, Esq.

John H. Knight, Jr., CPA

Albert N. Greenfield, Esq.

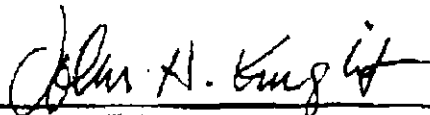
Date of Service: August 13, 1999

ARBITRATORS

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Wendy L. Kohn, Esq.	Public Arbitrator
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Albert N. Greenfield, Esq.	Public Arbitrator

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Wendy L. Kohn, Esq.



John H. Knight, Jr., CPA

Albert N. Greenfield, Esq.

Date of Service: August 13, 1999

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John H. Knight, Jr., CPA



Albert N. Greenfield, Esq.

Date of Service: _____

August 13, 1999