

**Award**  
**NASD Regulation, Inc.**

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*In the Matter of the Arbitration Between*

Infotek, Inc., Harold Adkins and Dolores Adkins Trustees (Claimant) vs. Gruntal & Co., LLC and Steven Gottesman (Respondents)

Case Number: 98-03894

Hearing Site: New York, New York

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**REPRESENTATION OF PARTIES**

Claimants, Infotek, Inc. ("Infotek"), Harold Adkins ("Mr. Adkins") and Delores Adkins ("Mrs. Adkins"), hereinafter collectively referred to as "Claimants": Harold Adkins from Infotek, E. Patchogue, New York.

Respondents, Gruntal & Co., LLC ("Gruntal") and Steven Gottesman ("Gottesman"), hereinafter collectively referred to as "Respondents": Donald N. Cohen, Esq., Gruntal & Co. LLC located in New York, New York.

**CASE INFORMATION**

Statement of Claim filed on or about: October 19, 1998.

Claimant, Infotek, signed the Uniform Submission Agreement: October 14, 1998.

Statement of Answer filed by Respondents on or about: March 2, 1999.

Respondent, Gruntal, signed the Uniform Submission Agreement: March 1, 1999.

Respondent, Gottesman, signed the Uniform Submission Agreement: March 1, 1999.

**CASE SUMMARY**

Claimants asserted the following causes of action: excessive, unsuitable and unauthorized trade, misrepresentation and forgery in connection with the purchase of Ecomat, Inc. stock.

Unless specifically admitted in its Answer, Respondents denied the allegations made in the Statement of Claim and asserted the following defenses: Claimants' Statement of Claim fails to set forth a claim upon which relief can be granted; any losses Claimants allegedly suffered were caused by their decisions and market conditions outside of Respondents' control and were not caused by actions of Respondents; the risk of Claimants' alleged damages or losses was expressly assumed by Claimants in entering into the transactions; Claimants are barred from recovery because they received written notice of and ratified each transaction; Claimants are barred from recovery by the doctrines of waiver, ratification and acquiescence; by their own conduct, Claimants are estopped from asserting the claims alleged; Claimants fail to take reasonable steps to mitigate the alleged damages or losses suffered; Claimants failed to exercise reasonable or ordinary care, caution or prudence with respect to the matters alleged; and Claimants are barred from obtaining any award, or any award must be reduced by the percentage to which Claimants' negligence or fault contributed to any damages or losses allegedly suffered.

### **RELIEF REQUESTED**

Claimants requested:

Compensatory Damages \$15,000.00

Respondents requested the Statement of Claim be dismissed with prejudice.

### **AWARD**

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

1. Respondents are jointly and severally liable and shall pay Claimant, Infotek, \$1,922.43.
2. Respondents are joint and severally liable and shall pay Claimant, Infotek, interest at a rate of 8% from February 4, 2000 until the date of payment.
3. This Arbitrator did not find that there was fraud or misrepresentation on the part of Respondents.
4. Any and all relief not specifically addressed herein is denied.

### **FEES**

Pursuant to the Code, the following fees are assessed:

#### **Filing Fees**

NASD Regulation, Inc. will retain or collect the non-refundable filing fees for each claim:

Initial claim filing fee = \$100.00

#### **Member Fees**

Member fees are assessed to each member firm that is a party in these proceedings or to the member firm that employed the associated person at the time of the event(s) giving rise to the dispute. In this matter, the member firm is a party, Respondent Gruntal.

Member surcharge = \$400.00

#### **Forum Fees and Assessments**

The Arbitrator assesses forum fees for each hearing session conducted. A hearing session is any meeting between the parties and the arbitrator, including a pre-hearing conference with the arbitrator, that lasts four (4) hours or less. Fees associated with these proceedings are:

Two (2) Pre-hearing Sessions with a single arbitrator x \$ 300.00 = \$ 600.00

Pre-hearing conferences: July 27, 1999 1 session

August 30, 1999

1 session

Three (3) Hearing Sessions x \$300.00 = \$ 900.00

Hearing Dates: February 3, 2000 2 sessions

February 4, 2000 1 session

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Total Forum Fees = \$1,500.00

The Arbitrator has assessed \$750.00 of the forum fees to Claimant, Infotek.

The Arbitrator has assessed \$750.00 of the forum fees jointly and severally to Respondents.

**Fee Summary**

Claimant, Infotek, Inc., be and hereby is solely liable for:

Initial Filing Fee = \$100.00

Forum Fees = \$750.00

Total Fees = \$850.00

Less payments = \$300.00

Balance Due NASD Regulation, Inc. = \$550.00

Respondent, Gruntal & Co. LLC, be and hereby is solely liable for:

Member Fees = \$400.00

Total Fees = \$400.00

Less payments = \$300.00

Balance Due NASD Regulation, Inc. = \$100.00

Respondents, Gruntal & Co., LLC and Steven Gottesman, be and hereby are jointly and severally liable for:

Forum Fees = \$750.00

Total Fees = \$750.00

Less payments = \$ 0.00

Balance Due NASD Regulation, Inc. = \$750.00

All balances are due and payable to NASD Regulation, Inc.

**Sole Arbitrator's Signature**

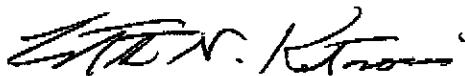
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Constantine N. Katsoris, Esq.  
Presiding Public Arbitrator

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Signature Date

I, **Constantine N. Katsoris, 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.



Constantine N. Katsoris, Esq.

February 11, 2000  
Date of Service (For NASD office use only)