

**Stipulated Award**  
**NASD Dispute Resolution, Inc.**

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In the Matter of the Arbitration Between:

**Michael G. Gasser vs. OLDE Discount Corporation, Gus Panos and Paul Manelis**

Case Number: 99-967

Hearing Site: Detroit, Michigan

**REPRESENTATION OF PARTIES**

Claimant Michael G. Gasser ("Gasser") was represented by Laurence S. Schultz, Esq. of Driggers, Schultz & Herbst, located in Troy, Michigan.

Respondents, OLDE Discount Corporation ("OLDE"), Gus Panos ("Panos") and Paul Manelis ("Manelis"), hereinafter collectively referred to as "Respondents," were represented by Ronald P. Kane of Kane & Fischer, Ltd., located in Chicago, Illinois.

**CASE INFORMATION**

Statement of Claim filed: on or about March 2, 1999.

Claimant's Submission Agreement signed: on February 25, 1999.

Statement of Answer filed by Respondents on or about June 1, 1999.

Respondent OLDE's Submission Agreement signed: on June 1, 1999.

Respondent Gus Panos's Submission Agreement signed: on June 1, 1999.

Respondent Paul Manelis' Submission Agreement signed: on April 14, 1999

**CASE SUMMARY**

Claimant alleged that Respondents induced him to purchase securities that were unsuitable for him and engaged in excessive trading of securities on margin. In addition, Claimant alleged that Respondents misrepresented that the stocks were safe and failed to disclose the risks of the trading. Claimant also asserted claims against OLDE for failure to supervise the activities of Mr. Panos and Mr. Manelis in the handling of Claimant's account.

Respondents denied the material allegations of the Statement of Claim, alleging that Michael Gasser was an experienced investor whose investment objectives included aggressive speculation. In addition, Respondents stated that the securities recommended were suitable for Gasser's investment objectives, sophistication and financial condition. Furthermore, Respondents alleged that Claimant's decision to purchase certain stock was based, at least in part, upon his own sources and not Respondents' representations. Respondents also asserted several affirmative defenses.

**RELIEF REQUESTED**

Claimant requested entry of an award for compensatory damages in an amount in excess of \$50,000, plus refund of commissions, plus exemplary/punitive damages, plus interest, costs and attorneys' fees.

Respondents requested that the Panel enter an award in their favor and against Claimant, as well as attorneys' fees and costs incurred in connection with this proceeding. Respondents Panos and Manelis requested that this panel issue an order specifically expunging this action from their CRD's (stockbroker registration records).

### **OTHER ISSUES CONSIDERED AND DECIDED**

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 originals remain on file with the NASD.

By letter dated July 20, 2000, the Claimant advised that the matter was settled with Respondent OLDE. In addition, a Notice of Withdrawal and Dismissal of Claim was filed by Claimant in July, 2000, withdrawing and dismissing the claims against Respondents Gus Panos and Paul Manelis.

In addition, a Stipulation to Dismiss was filed by the Parties on August 24, 2000, dismissing the claims against Respondents OLDE Discount Corporation, Gus Panos, and Paul Manelis.

### **AWARD**

After considering the parties' submissions and representations, but without making any findings of fact or conclusions of law, the undersigned arbitrators order as follows:

- 1.) Pursuant to the Notice of Withdrawal and Dismissal of Claim, the claims against Respondents Gus Panos and Paul Manelis were withdrawn and it is intended that the dismissal shall act as a dismissal with prejudice relating to any and all claims asserted against Respondents Panos and Manelis;
- 2.) The panel recommends the expungement of any and all references to the above captioned arbitration from Gus Panos' and Paul Manelis' registration records maintained by the NASD Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 99-09, Respondents Gus Panos (CRD # 2142087) and Paul Manelis (CRD # 2360755) must obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive;
- 3.) The matter is settled (subject to any conditions of a settlement agreement) between the remaining parties;
- 4.) The parties shall bear their own costs, subject to any settlement

agreement, except for those specifically included herein; and

- 5.) Any relief not stated as part of this award or part of any settlement agreement 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 = \$ 150.00

#### **Member Fees**

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

Member surcharge = \$ 1,000.00

Pre-hearing process fee = \$ 600.00

Hearing process fee = \$ 1,500.00

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

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

One (1) Pre-hearing session(s) with Panel x \$500.00 = \$500.00

Pre-hearing conference: October 15, 1999 1 session

Total Forum Fees = \$500.00

Pursuant to NASD Regulation, Inc. Code of Arbitration Procedure Rule 10332(f):  
Michael G. Gasser's Hearing Session Deposit of \$500.00 is retained by NASD.

### **Fee Summary**

Claimant, Michael G. Gasser, be and hereby is solely liable for:

Initial Filing Fee = \$ 150.00

Forum Fees = \$ 500.00

Total Fees = \$ 650.00

Less payments = \$ 650.00

Balance Due NASD Regulation, Inc. = \$ 0.00

Respondent, OLDE Discount Corporation, be and hereby is solely liable for:

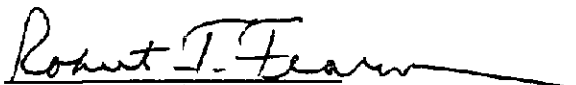
<u>Member Fees</u>	= \$ 3,100.00
<u>Total Fees</u>	= \$ 3,100.00
<u>Less payments</u>	= \$ 3,100.00
Balance Due NASD Regulation, Inc.	= \$ 0.00

All balances are due to NASD Regulation, Inc.

**Concurring Arbitrators' Signatures**

\_\_\_\_\_  
Marshall S. Burns, Esq.  
Public Arbitrator, Presiding Chair

\_\_\_\_\_  
Signature Date

  
\_\_\_\_\_  
Robert F. Fearon  
Public Arbitrator

Oct. 21, 2000  
\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
H. Duane Billmeyer  
Industry Arbitrator

\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Date of Service (For NASD office use only)

Respondent, OLDE Discount Corporation, be and hereby is solely liable for:

<u>Member Fees</u>	= \$ 3,100.00
<u>Total Fees</u>	= \$ 3,100.00
<u>Less payments</u>	= \$ 3,100.00
Balance Due NASD Regulation, Inc.	= \$ 0.00

All balances are due to NASD Regulation, Inc.

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Public Arbitrator, Presiding Chair

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Signature Date

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Robert F. Fearon  
Public Arbitrator

\_\_\_\_\_  
Signature Date



\_\_\_\_\_  
H. Duane Billmeyer  
Industry Arbitrator

OCT 23, 2000  
Signature Date

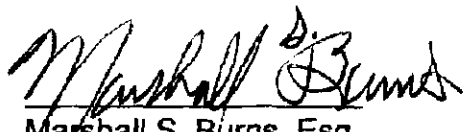
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<u>Less payments</u>	= \$ 3,100.00
Balance Due NASD Regulation, Inc.	= \$ 0.00

All balances are due to NASD Regulation, Inc.

**Concurring Arbitrators' Signatures**



Marshall S. Burns, Esq.  
Public Arbitrator, Presiding Chair

10/20/00

Signature Date

\_\_\_\_\_  
Robert F. Fearon  
Public Arbitrator

\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
H. Duane Billmeyer  
Industry Arbitrator

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