

Award
NASD Dispute Resolution, Inc.

In the Matter of the Arbitration Between:

John Allen, Patricia Lynn Allen, and John Gittins, Claimants v. Foster Jeffries Securities, LLC, Charles Albert DaCruz, Sean Peter McManus, George Michael Greco, Jr., Thomas Charles Dunn, Dominick Palermo, Matthew Joseph Schonberg, Robert Steven Thomas, Michael Scott Weiner, Harvey Joel Latzen, George Robert Goldman, Jr., Steven Lee Karno, Kevin Charles Held, Thomas Maiorana, Thomas Michael Allegra, Vincent James Cappetta, Marcus Anthony Ramos, Edward Richard O'Brien, John Christian McVicar, Fiserv Correspondent Services, Inc., and J.B. Oxford & Company, Respondents

Case Number: 99-01163

Hearing Site: Los Angeles, California

REPRESENTATION OF PARTIES

For Claimants:

Niall Sweetnam, III, Esq.
Oswald & Yap
Irvine, California

For Respondent Foster Jeffries Securities, LLC:

George M. Greco, Jr.
Foster Jeffries
Securities, LLC
Muttontown, New York

For Respondent Charles Albert DaCruz:

Charles Albert DaCruz
In Pro Per
Williston Park, New York

For Respondent Sean Peter McManus:

Sean Peter McManus
In Pro Per
Boynton Beach, Florida

For Respondent George Michael Greco, Jr.:

George Michael Greco, Jr.
In Pro Per
Muttontown, New York

For Respondent Thomas Charles Dunn :

Thomas Charles Dunn
In Pro Per
Marina Del Rey, California

For Respondent Dominick Palermo:

Dominick Palermo
In Pro Per
Smithtown, New York

For Respondent Matthew Joseph Schonberg:

Matthew Joseph Schonberg
In Pro Per
Holbrook, New York

For Respondent Robert Steven Thomas:

Robert Steven Thomas
In Pro Per
Selden, New York

For Respondent Michael Scott Weiner:

Scott M. Zucker, Esq.
Law Offices of
Scott M. Zucker, Esq.
Lake Success, New York

For Respondent Harvey Joel Latzen:

Harvey Joel Latzen
In Pro Per
West Babylon, New York

For Respondent George Robert Goldman, Jr.:

Edward J. Toscano, Esq.
Toscano & Associates, P.C.
Huntington Village, New York

For Respondent Steven Lee Karno:

Steven Lee Karno
In Pro Per
Waukegan, New York

For Respondent Kevin Charles Held:

Corey S. Marell, Esq.
Singer Frumento
New York, New York

For Respondent Thomas Maiorana:

Thomas Maiorana
In Pro Per
Palm Beach Gardens, Florida

For Respondent Thomas Michael Allegra:

Thomas Michael Allegra
In Pro Per
Westbury, New York

For Respondent Vincent James Cappetta:

Vincent James Cappetta
In Pro Per
North Babylon, New York

For Respondent Marcus Anthony Ramos:

Marcus Anthony Ramos
In Pro Per
Palm Beach Gardens, Florida

For Respondent Edward Richard O'Brien:

Edward Richard O'Brien
In Pro Per
East Meadow, New York

For Respondent John Christian McVicar:

John Christian McVicar
In Pro Per
New York, New York

For Respondent Fiserv Correspondent
Services, Inc.:

Steven D. Plissey, Esq.
Williams, Youle &
Koenigs, P.C.
Denver, Colorado

For Respondent J.B. Oxford & Company:

Jeffrey S. Kob, Esq.
Miller Milove & Kob
San Diego, California

CASE INFORMATION

Statement of Claim filed: March 9, 1999

First Amended Statement of Claim filed: August 16, 1999

Claimant John Allen's Uniform Submission Agreement signed: April 28, 1999

Claimant Patricia Lynn Allen's Uniform Submission Agreement signed: April 28, 1999

Claimant John Gittins' Uniform Submission Agreement signed: April 27, 1999

Statement of Answer filed by Respondent Charles Albert DaCruz: July 2, 1999

Statement of Answer filed by Respondent George Michael Greco, Jr.: July 6, 1999

Statement of Answer filed by Respondent Thomas Charles Dunn: December 3, 1999

Respondent Thomas Charles Dunn's Uniform Submission Agreement signed: June 28, 1999

Statement of Answer filed by Respondent Dominick Palermo: July 7, 1999

Statement of Answer filed by Respondent Matthew Joseph Schonberg: August 16, 1999

Respondent Matthew Joseph Schonberg's Uniform Submission Agreement signed: August 16, 1999

Statement of Answer filed by Respondent Michael Scott Weiner: September 23, 1999

Statement of Answer filed by Respondent Harvey Joel Latzen: July 13, 1999

Respondent Harvey Joel Latzen's Uniform Submission Agreement signed: July 1, 1999

Statement of Answer filed by Respondent George Robert Goldman, Jr.: June 22, 1999

Respondent George Robert Goldman, Jr.'s Uniform Submission Agreement signed: June 7, 1999

Statement of Answer filed by Respondent Steven Lee Karno: August 17, 1999

Statement of Answer filed by Respondent Kevin Charles Held: October 7, 1999

Statement of Answer filed by Respondent Thomas Maiorana: July 13, 1999

Respondent Thomas Maiorana's Uniform Submission Agreement signed: July 16, 1999

Statement of Answer filed by Respondent Thomas Michael Allegra: November 4, 1999

Statement of Answer filed by Respondent Vincent James Cappetta: July 28, 1999

Statement of Answer filed by Respondent Edward Richard O'Brien: July 13, 1999

Respondent Edward Richard O'Brien's Uniform Submission Agreement signed: July 10, 1999

Statement of Answer filed by Respondent John Christian McVicar: July 10, 1999

Respondent John Christian McVicar's Uniform Submission Agreement signed: July 10, 1999

Statement of Answer filed by Respondent Fiserv Correspondent Services, Inc.: July 15, 1999

Respondent Fiserv Correspondent Services, Inc.'s Uniform Submission Agreement signed: June 2, 1999

Statement of Answer filed by Respondent J.B. Oxford & Company: September 1, 2000

CASE SUMMARY

Claimants alleged breach of contract, breach of fiduciary duty, misrepresentation, fraud, and violations of NASD, NYSE, Federal, and State securities laws and regulations. The allegations arose out of the purchase and sale of Westinghouse, Inc., R.T. Industries, Inc., Multimedia Games, Inc., and American Healthchoice, Inc. securities.

Respondents denied the allegations of wrongdoing set forth in the Claimants' Statement of Claim.

RELIEF REQUESTED

Claimants John Allen and Patricia Lynn Allen requested \$80,000.00 in compensatory damages, lost profits, interest, and costs of arbitration. Claimants John Allen and Patricia Lynn Allen also sought an award of punitive damages from Foster Jeffries Securities, LLC.

Claimant John Gittins requested \$60,000.00 in compensatory damages, lost profits, interest, and costs of arbitration. Claimants John Allen and Patricia Lynn Allen also sought an award of punitive damages from Foster Jeffries Securities, LLC.

Respondents J.B. Oxford & Company, Steven Lee Karno, Harvey Joel Latzen, Dominick Palermo, Thomas Maiorana, Thomas Charles Dunn, Charles Albert DaCruz, Vincent James Cappetta, Edward Richard O'Brien, George Michael Greco, Jr., and George Robert Goldman, Jr. requested dismissal of the Claimants' Statement of Claim in its entirety. Respondents Kevin Charles Held, Fiserv Correspondent Services, Inc., Michael Scott Weiner, and John Christian McVicar, requested dismissal of the Claimants' Statement of Claim in its entirety, costs of arbitration, and/or attorney's fees. Respondents Thomas Michael Allegra and Matthew Joseph Schonberg requested dismissal of the Claimant's Statement of Claim in its entirety and expungement of the claim from Respondents' Central Registration Depository ("CRD") records.

OTHER ISSUES CONSIDERED AND DECIDED

On December 9, 1999, NASD Dispute Resolution, Inc. received notice that Claimants dismissed Respondent George Robert Goldman, Jr.

On January 19, 2000, NASD Dispute Resolution, Inc. received notice that the Panel dismissed Respondents Matthew Joseph Schonberg, Harvey Joel Latzen, Kevin Charles Held, Thomas Maiorana, Thomas Michael Allegra, Vincent James Cappetta, Edward Richard O'Brien, John Christian McVicar, George Robert Goldman, Marcus Anthony Ramos, and Fiserv Correspondent Services, Inc.

On March 15, 2000 NASD Dispute Resolution, Inc. received notice that the Panel, on its own motion, dismissed Respondents Dominick Palermo and Michael Scott Weiner.

On September 14, 2000 NASD Dispute Resolution, Inc. received notice that Claimants dismissed Respondent Robert Steven Thomas.

On November 1, 2000 the Panel granted Claimants' Motion for Reconsideration. The Panel reversed its order dismissing Respondent Fiserv Correspondent Services, Inc. and returned Respondent Fiserv Correspondent Services, Inc. to active party status.

On May 1, 2001 NASD Dispute Resolution, Inc. received notice that Claimants dismissed Respondent George Michael Greco, Jr., Fiserv Correspondent Services, Inc., and J.B. Oxford & Company.

Respondents Foster Jeffries Securities, LLC, Charles Albert DaCruz, Sean Peter McManus, George Michael Greco, Jr., Dominick Palermo, Robert Steven Thomas, Michael Scott Weiner, Steven Lee Karno, Kevin Charles Held, Thomas Michael Allegra, Vincent James Cappetta, Marcus Anthony Ramos, and J.B. Oxford & Company did not file with NASD Dispute Resolution, Inc. properly executed submission agreements but are required to submit to arbitration pursuant to the Code and are bound by the determination of the Panel on all issues submitted.

The parties agreed that the Award in this matter may be executed in counterpart copies or that a handwritten, signed Award may be entered.

AWARD

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

- 1) Respondents Steven Lee Karno and Charles Albert DaCruz are jointly and severally liable to and shall pay Claimants John Allen and Patricia Lynn Allen \$56,781.00.
- 2) Respondents Steven Lee Karno and Charles Albert DaCruz are jointly and severally liable to and shall reimburse Claimants John Allen and Patricia Lynn Allen for the filing fee in the amount of \$200.00.
- 3) Respondents Steven Lee Karno and Charles Albert DaCruz are jointly and severally liable to and shall reimburse Claimants John Allen and Patricia Lynn Allen for the adjournment fee in the amount of \$750.00.
- 4) Claimant John Gittins shall take nothing under his claim. All of his claims are denied in their entirety.
- 5) Each party shall bear its own costs, including attorney's fees.
- 6) All other relief not expressly granted is denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution, Inc. received or will collect the non-refundable filing fees for each claim as follows:

Initial claim filing fee	= \$ 200.00
--------------------------	-------------

Member Fees

Member fees are assessed to each member firm that is either a party in the matter or an employer of a respondent associated person at the time of the events which gave rise to the dispute, claim, or controversy. Accordingly, the member firms Fiserve Correspondent Services, Inc. and J.B. Oxford & Company are parties and the following fees are assessed to each:

Member Surcharge	= \$ 1,500.00
Pre-Hearing Process Fee	= \$ 600.00
<u>Hearing Process Fee</u>	<u>= \$ 2,500.00</u>
Total Member Fees	= \$ 4,600.00

Adjournment Fees

The following adjournment fees are assessed:

September 18-22, 2000, adjournment requested by Claimants	= \$ 750.00
---	-------------

Forum Fees and Assessments

The Panel assessed a forum fee for each pre-hearing conference or hearing session conducted. A pre-hearing conference and hearing session is any meeting between the parties and the Chair/Panel. The following fees are assessed:

4 Pre-hearing conference sessions with the Panel @ \$750.00/session = \$ 3,000.00

Pre-hearing conferences: November 17, 1999 1 session
 January 19, 2000 1 session
 January 8, 2001 2 sessions

2 Hearing sessions @ \$750.00/session = \$ 1,500.00

Hearings: May 1, 2001 2 sessions

Total Forum Fees = **\$ 4,500.00**

The Panel assessed \$ 4,500.00 of the forum fees jointly and severally to Respondents Charles Albert DaCruz and Steven Lee Karno.

Fee Summary

1. Claimants John Allen, Patricia Lynn Allen, and John Gittins are charged with the following fees and costs:

Initial Filing Fee	= \$ 200.00
Adjournment Fee	= \$ 750.00
Total Fees	= \$ 950.00
<u>Less Payments</u>	= \$(1,700.00)
Refund Due Claimants	= \$ (750.00)

2. Respondent Fiserve Correspondent Services, Inc. is charged with the following fees and costs:

Member Fees	= \$ 4,600.00
<u>Less Payments</u>	= \$(4,600.00)
Balance Due NASD Dispute Resolution, Inc.	= \$ 0

3. Respondent J.B. Oxford & Company is charged with the following fees and costs:

Member Fees	= \$ 4,600.00
<u>Less Payments</u>	= \$(3,250.00)
Balance Due NASD Dispute Resolution, Inc.	= \$ 1,350.00

NASD Dispute Resolution, Inc.

Arbitration No. 99-01163

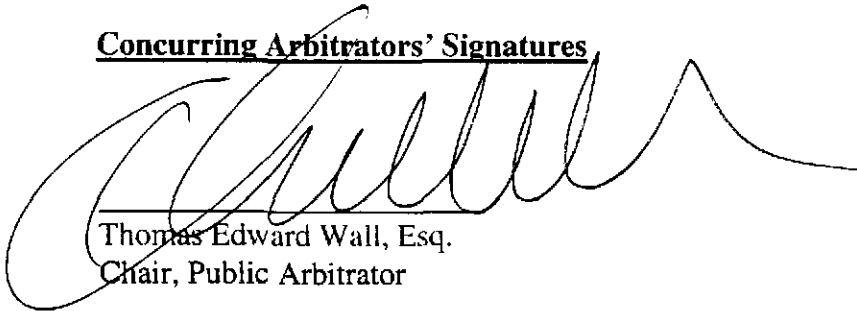
Award Page 9 of 10

4. Respondents Charles Albert DaCruz and Steven Lee Karno are charged jointly and severally with the following fees and costs:

<u>Forum Fees</u>	= \$ 4,500.00
Balance Due NASD Dispute Resolution, Inc.	= \$ 4,500.00

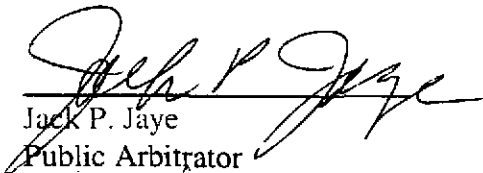
All balances are payable to NASD Dispute Resolution, Inc. due immediately upon the receipt of the award pursuant to Rule 10330(g) of the Code.

Concurring Arbitrators' Signatures



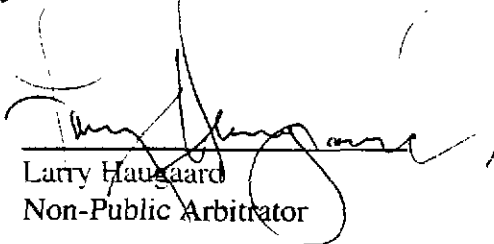
Thomas Edward Wall, Esq.
Chair, Public Arbitrator

5/1/01
Signature Date



Jack P. Jaye
Public Arbitrator

5/1/01
Signature Date



Larry Haugaard
Non-Public Arbitrator

5/1/01
Signature Date

5/3/01
Date of Service