

Award
NASD Regulation, Inc.

In the Matter of the Arbitration Between:

Adrian Sangeorzan (Claimant) vs. Astley Montague and Josephthal & Co., Inc., (Respondents)

Case Number: 99-01256

Hearing Site: New York, New York

REPRESENTATION OF PARTIES

Claimant, Adrian Sangeorzan, hereinafter referred to as "Claimant": Adam J. Greenberg, Esq., Sobol & Greenberg, P.C., New York, New York.

Respondent, Josephthal & Co., Inc. ("Josephthal"): John E. Bersin, Esq., Associate General Counsel, Josephthal & Co., Inc., New York, New York.

Respondent, Adrian Montague ("Montague") did not enter an appearance in this matter.

CASE INFORMATION

Statement of Claim filed on or about: March 15, 1999.

Claimant signed the Uniform Submission Agreement: March 15, 1999.

Statement of Answer filed by Josephthal on or about: June 18, 1999.

Josephthal signed the Uniform Submission Agreement: June 18, 1999.

Montague did not file a Statement of Answer or sign a Uniform Submission Agreement.

CASE SUMMARY

Claimant asserted the following causes of action: execution of wrong trades; unauthorized trading; failure to supervise; and, breach of fiduciary duty.

Josephthal denied the allegations made in the Statement of Claim and asserted the following defenses: Claimant failed to state a claim upon which relief might be granted; Claimant assumed the risks of market fluctuation; Claimant's claims are barred by the doctrine of laches; Claimant failed to plead fraud with the requisite particularity; Claimant's claims are barred by the doctrine of ratification; and, Claimant failed to properly compute alleged damages.

RELIEF REQUESTED

Claimant requested:

Compensatory Damages	\$83,948.39
Attorneys' Fees	unspecified
Other Costs	unspecified

Josephthal requested that the Statement of Claim be denied in its entirety and that all costs and expenses be assessed against Claimant.

OTHER ISSUES CONSIDERED AND DECIDED

By letter dated February 16, 2000, Claimant notified NASD Regulation, Inc. that he discontinued his claim against Josephthal. Therefore, no representative appeared at the hearing on behalf of Josephthal.

Upon review of the file and the representations made on behalf of the Claimant, the undersigned arbitrators (the "Panel") determined that Montague has been properly served with the Statement of Claim and received due notice of the hearing, and that arbitration of the matter would proceed without said Montague present, in accordance with the NASD Code of Arbitration Procedure (the "Code").

Montague did not file with the NASD Regulation, Inc. Office of Dispute Resolution a properly executed submission to arbitration but is required to submit to arbitration pursuant to the Code and is bound by the determination of the 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.

AWARD

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

1. Montague be and hereby is liable for and shall pay to Claimant the sum of \$25,000.00 in compensatory damages. This amount includes an award of interest.
2. All other requests for relief are hereby 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 that employed the associated person at the time of the events giving rise to the dispute. In this matter, Josephthal & Co., Inc. 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 arbitrators, including a pre-hearing conference with the arbitrators, that lasts four (4) hours or less. Fees associated with these proceedings are:

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

Pre-hearing conference: November 29, 1999 1 session

Two (2) Hearing sessions x \$500.00 = \$1,000.00

Hearing Date: February 17, 2000 2 sessions

Total Forum Fees = \$1,500.00

The Panel has assessed \$1,500.00 of the forum fees against Montague.

Fee Summary

1. Claimant be and hereby is solely liable for:

Initial Filing Fee = \$ 150.00

Total Fees = \$ 150.00

Less payments = \$ 650.00

Refund Due Claimant = \$ 500.00

2. Josephthal 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>	= \$1,000.00
<u>Balance Due NASD Regulation, Inc.</u>	= \$2,100.00

3. Montague be and hereby is solely liable for:

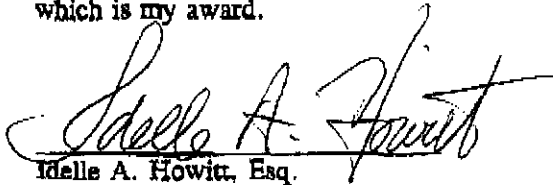
<u>Forum Fees</u>	= \$1,500.00
<u>Total Fees</u>	= \$1,500.00
<u>Less payments</u>	= \$ 0.00
<u>Balance Due NASD Regulation, Inc.</u>	= \$1,500.00

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

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Concurring Arbitrators' Signatures

I, the undersigned arbitrator, 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.



Idelle A. Howitt, Esq.
Public Arbitrator, Presiding Chair

3/10/00
Signature Date

Eva Lee Lichtenberg, Esq.
Public Arbitrator

Signature Date

Fred Shinagel
Industry Arbitrator

Signature Date

March 17, 2000

Date of Service (For NASD office use only)

Concurring Arbitrators' Signatures

I, the undersigned arbitrator, 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.

Idelle A. Howitt, Esq.
Public Arbitrator, Presiding Chair

Signature Date

Eva Lee Lichtenberg

Eva Lee Lichtenberg, Esq.
Public Arbitrator

3/13/2000

Signature Date

Fred Shinagel
Industry Arbitrator

Signature Date

March 17, 2000
Date of Service (For NASD office use only)

MAR 15 2000
DA

Concurring Arbitrators' Signatures

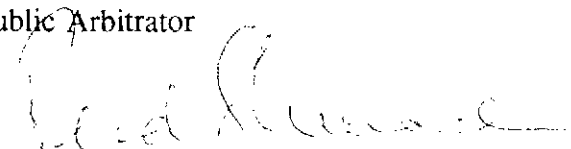
I, the undersigned arbitrator, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument which is my award.

Idelle A. Howitt, Esq.
Public Arbitrator, Presiding Chair

Signature Date

Eva Lee Lichtenberg, Esq.
Public Arbitrator

Signature Date



Fred Binaghi
Industry Arbitrator

3-11-00

Signature Date

March 17, 2000

Date of Service (For NASD office use only)