

NASD DISPUTE RESOLUTION AWARD
NASD DISPUTE RESOLUTION, INC.

CASE: 01-00859

George E. Prindible, claimant vs. Thomas Weimer, Kidder, Peabody & Co. and PaineWebber, Inc. respondents.

ATTORNEYS:

Claimant appeared Pro Se, Hilton Head, SC.

For Respondent Kidder, Peabody & Co., Incorporated appeared Peter Salerno, Esq., in-house counsel, New York, NY.

For Respondents PaineWebber and Thomas Weimer appeared Vincent Oliva, Esq., in-house counsel, Weehawken, NJ.

DATE FILED: February 21, 2001

CASE SUMMARY: Claimant alleged that respondents negligently failed to register his bonds as requested thereby causing the loss of the use of the monies placed in the bonds.

ARBITRATOR'S REPORT: See Attached Exhibit A.

Claim Data

Claim: \$1,166.00
Punitive: \$1,000.00
Filing Fees: \$.00

Award Data

Award: \$583.33
Punitive: \$.00
Filing Fees: \$37.50

AWARD: The undersigned arbitrator has decided and determined in full and final resolution of the issues submitted for determination as follows: 1) Respondents are jointly and severally liable and shall pay to the claimant \$583.33. 2) All requests for punitive damages are denied. 3) All other relief requests are denied. 4) The \$75.00 filing fee previously deposited with NASD Dispute Resolution, Inc. by the claimant, shall be retained by NASD Dispute Resolution, Inc. 5) Respondents are jointly and severally liable and shall pay claimant \$37.50 as reimbursement of one half of the filing fee.

OTHER FEES: Pursuant to Rule 10333 of the Code, respondents PaineWebber and Kidder, Peabody & Co. have each paid to NASD Dispute Resolution, Inc. the \$150.00 Member Surcharge previously invoiced.

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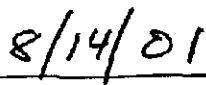
Robert S. Zuckerman, Esq.

Sole Public Arbitrator

AFFIRMATION

I, Robert S. Zuckerman, Esq., do hereby affirm, upon my oath as arbitrator that I am the individual described herein who executed this instrument, which is my oath and award.


Robert S. Zuckerman, Esq.


Signature Date

August 23, 2001
Date of Service (for NASD Office Use Only)

George E. Prindible, Claimant

vs.

PaineWebber, Inc.; Kidder Peabody & Co., Inc.; and Thomas Weimer, Respondents

NASD CASE NO. 01-00859

DECISION AND AWARD

This matter has been submitted to me as Sole Arbitrator under the NASD-DR Code's Simplified Arbitration Procedures. I have previously submitted my Oath of Arbitrator and Arbitrator Disclosure Checklist on June 18, 2001. I have reviewed the uniform submission Agreements of the parties; the pleadings and additional documentation submitted by the parties; the Respondents' Motions to dismiss and Claimant's responses thereto; the Temporary and Permanent Arbitrator Disqualification Criteria; and all other materials submitted to me by NASD Dispute Resolution, Inc. Based on the foregoing I find I am qualified to and do hereby render this Decision and Award.

I. Respondents' Motions to Dismiss

All Respondents have filed Motions to Dismiss based on the 6-year Statute of Limitations found at NASD Rule 10304. Claimant has responded. Respondents' Motions to Dismiss are DENIED. Although Respondents are correct that the applicable limitations period begins to run (absent a tolling event not present here) from the time of the triggering event or occurrence, I find that this event was not the purchase of the bonds, but rather, the call on the bonds on December 1, 1998. This is because Claimant is only seeking damages for loss of use of bond principle between the call date and the actual date on which he received the principle. Therefore, 6 years has not elapsed from that date until the date of the filing of his complaint with NASD.

II. Claimant's Damage Claims

Claimant seeks two items of damages:

1. \$1166 in compensatory damages; and
2. \$1,000 in punitive damages.

As to the punitive damage claim, I find, based on the evidence presented, that Claimant has not demonstrated that any respondent acted in a willful, wanton, reckless, or grossly negligent way. Therefore, Claimant's request for punitive damages is DENIED.

Claimant's request for compensatory damages is based on his allegations that respondents negligently handled his account and failed to timely inform him regarding the call on his bonds. Many of Claimant's allegations are not disputed by Respondents, who argue that any such failures were not the proximate cause of Claimant's alleged damages. Claimant also does not dispute many of Respondents' allegations about the nature of his conduct, which caused, in whole or part, the damages he claims.

I find all of these events led to Claimant's injury, which resulted from his lack of knowledge of the date of the call of his bonds. Therefore, I find that Claimant and Respondents (jointly and severally) are each 50% contributorily negligent and that such negligence caused Claimant's injury. I further find that Respondents' have not challenged Claimant's damage calculation and therefore accept it.

III. Award

Based on the foregoing:

1. Respondents' Motions to Dismiss are DENIED;
2. Claimant's Request for Punitive Damages is DENIED;
3. Claimant's request for punitive damages is GRANTED in the amount of \$583.33, awarded JOINTLY AND SEVERALLY against Respondents.
4. Attached is the Award Checklist for Case No. 01-00859.

Robert S. Zuckerman
Robert S. Zuckerman, Arbitrator

July 4, 2001