

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

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In the Matter of the Arbitration Among

Reuben J. Grubb,

Claimant

vs.

Equitable Securities of New York, Inc.

Respondent/  
Third-Party Claimant

vs.

Douglas F. Mology,

Third-Party Respondent  
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Case #88-02993

Award

CASE SUMMARY

Claimant alleged that Respondent, Equitable Securities of New York, Inc., mishandled his account concerning two limit orders placed by Claimant to purchase options on the stock of U.S.X. Corp. The Claimant contended that the orders entered on October 21 were executed on that day. The Respondent countered by stating that the orders of October 21 were executed but notice to the client was given after he placed the identical orders on October 22. The Claimant stated that he just placed the order on October 21 not October 22. Equitable Securities maintained that although the errors resulted in their clearing agent purchasing calls instead of puts, the error was corrected by Equitable Securities. Equitable Securities of New York, Inc. asserted a counterclaim against Third-Party Respondent, Douglas F. Mology, for failure to inform Claimant as to what actually occurred in his account. Equitable further alleged that Douglas Mology slandered their name in order to perpetuate his own personal dealings with Claimant and instigated Claimant's filing of an NASD complaint.

Douglas F. Mology maintained that Equitable Securities of New York, Inc. repeatedly purchased the same options for the Claimant in order to straighten out the errors and told Mr. Mology that the trades were to be journaled to an error account so that Claimant's account would be corrected. Mr. Mology further maintained that he had nothing to do with Respondent's buying and selling of the same stock repeatedly.

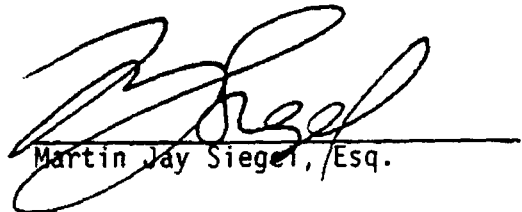
RELIEF REQUESTED

Claimant requested damages of \$2,021.29. Equitable Securities requested damages of \$2,500.00 from Douglas Mology in the event that they are held liable for the loss in Claimant's account. Douglas F. Mology requested a dismissal of the counterclaim.

AWARD

On August 11, 1989, the undersigned arbitrator heard the controversy between the parties as set forth in submissions to arbitration signed by the Claimant on September 21, 1988, signed by Equitable Securities of New York, Inc. on May 2, 1989 and signed by Douglas F. Mology on June 5, 1989. The arbitrator, having considered the pleadings, the testimony, and the evidence presented at the hearing, has determined in full and final resolution of the issues submitted for determination as follows:

- A. Equitable Securities of New York, Inc. shall be liable for and shall pay to the Claimant the sum of Four Hundred Fifty-Five Dollars and No Cents(\$455.00).
- B. The counterclaim of Equitable Securities of New York, Inc. against Douglas Mology shall be and hereby is dismissed in all respects.
- C. The parties shall each bear their respective costs.
- D. Pursuant to Section 43 of the Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. shall retain the \$25.00 filing fee previously deposited by the Claimant and that sum shall be assessed against Equitable Securities of New York, Inc. to be paid directly to the Claimant.

  
Martin Jay Siegel, Esq.

Dated: August 17, 1989