

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between)
David Nadel.)
Claimant.)
vs.) Case #88-03521
James J. Duane & Co., Inc..) Award
Respondent.)

CASE SUMMARY

This claim was filed with the NASD, Inc. on November 10, 1988. The hearing was conducted in Tampa, Florida on September 22, 1989 with a total of 1 session.

Claimant, David Nadel ("Nadel") alleged that Respondent, James J. Duane & Co., Inc. ("Duane") failed to properly credit his account when there were margin calls caused by the October 1987 market crash. Specifically, Claimant alleged that he had requested a check to be issued to him and, after the market crash, Respondent sold the stock in Claimant's account to cover the margin calls and stopped payment on the check without crediting Claimant's account for the amount of the check. Additionally, Claimant alleged that Respondent failed to execute a buy order as instructed. Respondent alleged that the check came out of the excess equity in the account prior to the crash; that the excess disappeared after the crash and that the amount of the check was credited to the Claimant's account.

RELIEF REQUESTED

Claimant requested damages in the amount of Ten Thousand and 00/100 (\$10,000.00) Dollars plus interest, punitive damages and other costs. Respondent requested dismissal of the claim.

AWARD

On September 22, 1989, the undersigned arbitrator heard the controversy between the parties as set forth in submissions to arbitration signed by Claimant on November 8, 1988, and by Respondent on May 22, 1989. The arbitration panel, 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:

1. Respondent is hereby liable and shall pay to Claimant the amount of Five Thousand and 00/100 (\$5,000.00) Dollars.

2. Pursuant to Section 43 of the Code of Arbitration Procedure, the Claimant is hereby assessed forum fees in the amount of Two Hundred and 00/100 (\$200.00) Dollars. The NASD, Inc. shall retain the Two Hundred and 00/100 (\$200.00) Dollar filing fee previously deposited by the Claimant in full satisfaction of such forum fees.
3. The parties shall each bear all other costs and expenses incurred by them in connection with this proceeding, including attorney's fees.



George S. Coit Jr., Esq.

Dated: October 9, 1989.