

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between	:	
	:	
	:	
Martha Pugh	:	AWARD
	:	
Claimant	:	#88-03719
vs.	:	
	:	
	:	
Smith Barney Harris Upham & Co., Inc.	:	
Charles Borbone	:	
Respondents	:	
	:	

Case Summary

Claimant submitted the above captioned matter for arbitration on March 17, 1989. In the claim she alleged that Respondents engaged in unauthorized trading of unsuitable securities and excessive trading for the purpose of generating commission.

Respondents maintained that Claimant was aware of the risks involved in trading securities and she had full knowledge of the transactions made in her account. Respondents further maintained that even though the Claimant felt that the securities purchased for her account were unsuitable, she continued to hold onto them while she "rode the market".

Relief Requested

Claimant requested damages of \$150,709.00. Respondents requested a dismissal of the claim.

Award

On October 25, 1989, December 11, 12 and 21, 1989 in New York City, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed by Claimant Martha Pugh on September 30, 1988, by Respondent Smith Barney Harris Upham & Co., Inc. on March 15, 1989 and by Respondent Charles Borbone on October 25, 1989. The arbitrators, 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. Respondents Smith Barney Harris Upham & Co., Inc. and Charles Borbone are jointly and severally liable and shall pay to the Claimant the sum of Thirty Thousand Dollars and No Cents (\$30,000.00).
2. The parties shall each bear their respective costs including attorney fees.
3. Pursuant to Section 43 of the Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. shall retain the \$750.00 filing fee previously deposited by the Claimant. The Claimant is hereby assessed \$2,250.00 in forum fees made payable to the NASD, Inc. and Respondents jointly and severally are assessed \$3,000.00 in forum fees made payable to the NASD, Inc. as costs of the eight (8) hearing sessions conducted in this matter.

CONCURRING ARBITRATORS