



N.A.S.D. NASD

Arbitration

NATIONAL ASSOCIATION OF SECURITIES DEALERS

National Association of  
Securities Dealers, Inc.  
NASD Financial Center  
33 Whitehall Street  
New York, New York 10004

In the Matter of the Arbitration Between

Name of Claimant

Joan Arndt

vs

89-02697

Name of Respondent

Steven Hanna

REPRESENTATION

For Claimant: Victor Mevorah, Esq.

For Respondent: Thomas G. Amon, Esq. of Amon & Sabatini

CASE INFORMATION

Statement of Claim filed: September 27, 1989.

Claimant's Submission Agreement signed on: September 21, 1989.

Statement of Answer filed by Respondent, Steven Hanna on: December 05, 1990.

Respondent, Steven Hanna, Submission Agreement signed on: December 20, 1990.

HEARING INFORMATION

Hearing Dates: November 20, 1990, December 06, 1990 and February 27, 1991.

Hearing Sessions: 2 Sessions, 2 Sessions and 1 Session.

Hearing Location: New York, New York.

CASE SUMMARY

Claimant, Joan Arndt, alleges that Respondent, Steven Hanna, made the following trades without authorization: 1500 Audiovox Corp., Cla; 1500 Cadnetix Corp.; 2500 UTS Intel Corp; 5000 Software Service of America. Claimant further alleges that Respondent negligently handled her account and failed to effect sale of 25 Midway Air calls options. Claimant contends that Respondent's conduct amounted to a violation of Section 10(b) of the Exchange Act and the rules and regulations promulgated thereunder and constituted common law fraud. Claimant asserted claims against Respondent's employer, J.T. Moran, which subsequently filed for bankruptcy protection. Thus, Claimant chose to proceed against Hanna only.

Respondent denies the allegations of wrongdoing and denies liability. Respondent also asserted two affirmative defenses.

#### RELIEF REQUESTED

Claimant requests that the panel award him \$65,868.82 in actual losses, \$16,804.41 which represents commissions paid to Hanna and \$2,367.02 which represents margin interest paid by the Claimant, plus interest, costs, disbursements, attorney's fees and such other and further relief as the panel deems just and proper.

Respondent requests that the panel dismiss the claim, and award him costs and disbursements, attorney's fees and any other relief to which he may be justly entitled.

#### AWARD

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

The parties have agreed that the Award in this matter may be executed in counterpart copies or that a handwritten, signed Award be entered. In either case, the parties have agreed to receive conformed copies of the Award while the originals remain on file with the NASD.

1. Respondent, Steven Hanna, is hereby liable to the Claimant and shall pay her a total of Eighty Five Thousand and Forty Dollars and Twenty Five Cents;
2. The claim for attorney's fees is denied;
3. The claim for interest is denied;

#### FORUM FEES

Pursuant to Section 43(c) of the Code of Arbitration Procedure, the following Forum Fees are assessed:

1. The NASD has received and shall retain the \$500.00 hearing session deposit paid by Claimant;
2. Respondent is assessed the claim filing fee of \$150.00;
3. Respondent is assessed forum costs in the amount of \$2,500.00 (Five hearing sessions at \$500.00 per session);
4. Respondent shall satisfy the assessment by reimbursing Claimant \$500.00

which she previously deposited and remitting to the NASD \$2,150.00.

Fees are payable to the National Association of Securities Dealers, Inc.

ARBITRATION PANEL

Martin Jay Siegel, Esq.

Public - Chairperson

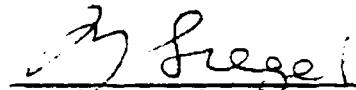
David Nydick

Public

Marvin Lippsett

Industry

Concurring Arbitrator's Signature

  
Martin Jay Siegel, Esq.

Date of Decision:

July 18, 1991  
Dated by N.A.S.D. August 1, 1991

which she previously deposited and remitting to the NASD \$2,150.00.

Fees are payable to the National Association of Securities Dealers, Inc.

ARBITRATION PANEL

Martin Jay Siegel, Esq.

Public - Chairperson

David Nydick

Public

Marvin Lippsett

Industry

Concurring Arbitrator's Signature

< David Nydick  
David Nydick

Date of Decision: 7/24/91  
Dated by NASD August 1, 1991

which she previously deposited and remitting to the NASD \$2,150.00.

Fees are payable to the National Association of Securities Dealers, Inc.

ARBITRATION PANEL

Martin Jay Siegel, Esq.

Public - Chairperson

David Nydick

Public

Marvin Lippsett

Industry

Concurring Arbitrator's Signature

  
Marvin Lippsett

Date of Decision:

July 2, 1991  
Dated by N.A.S.D. August 1, 1991