

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

---

In the Matter of the Arbitration Between

Name of Claimants

Jerry & Georgianne Ciotola

90-02132

Name of Respondent

Spencer-Winston Securities Corporation

---

REPRESENTATION

For Claimants: Appeared pro se.

For Respondent: Oscar Echman, President of Spencer-Winston Securities

CASE INFORMATION

Statement of Claim filed: August 6, 1990.

Claimants' Submission Agreement signed: September 4, 1990.

Statement of Answer filed by Respondent: October 24, 1990.

Respondent's Submission Agreement signed: October 22, 1990.

HEARING INFORMATION

Hearing Dates/Sessions: August 21, 1991/ 1 session.

Hearing Location: Offices of the National Association of Securities Dealers, Inc. ("NASD"), in New York City, NY.

CASE SUMMARY

Claimants, Jerry and Georgianne Ciotola ("Claimants"), alleged that the Respondent, Spencer-Winston Securities Corporation ("Respondent"), failed to execute the Claimants' order to sell short 5 UAL December 155 put options at \$6.00 on November 20, 1989, and that as a result the Claimants have been damaged.

Respondent contended that it refused the Claimants' order due to the extreme volatility UAL securities at the time and that the risk of loss inherent in such an uncovered option trade was potentially unlimited. The Respondent also contended that the Claimants could have placed a similar order with another firm at the same price on November 21, 1989 if they so desired.

RELIEF REQUESTED

Claimants requested actual damages of \$3,000.00.

Respondent requested dismissal of all claims made against it.

AWARD

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

1. All claims against the Respondent be and hereby are dismissed in their entirety.
2. The parties each shall bear their respective costs.

FORUM FEES

Pursuant to Section 43c of the Code of Arbitration Procedure, the NASD shall retain the \$125.00 previously deposited by the Claimants as the costs of the one (1) hearing session conducted in this matter.

Arbitrator's Signature



Richard W. Vallario, Esq. (Public Arbitrator)

Date of Decision: August 21, 1991

State of: New York

County of: New York

SS:

On this 21st day of August 1991, before me personally appeared Richard W. Vallario known and known to me to be the individual described in and who executed the foregoing instrument and duly acknowledged to me that he executed the same.

  
\_\_\_\_\_  
Notary Public

LEONARD J. AMORUSO  
NOTARY PUBLIC, State of New York  
No. 4964931  
Qualified in Nassau County  
Commission expires April 16, 1992