

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimants

Daniel and Elaine DeAngelo

90-02636

Name of Respondent

Jesup, Josephthal & Co., Inc.

REPRESENTATION

For Claimant: Appeared pro se.

For Respondent: Donald V. Hanson, Esq., in-house counsel.

CASE INFORMATION

Statement of Claim filed: September 20, 1990.

Claimant's Submission Agreement signed on: September 17, 1990.

Statement of Answer filed: December 21, 1990.

Respondent did not file a Submission Agreement.

HEARING INFORMATION

Hearing Date/Sessions: August 8, 1991/ 1 session.

Hearing Location: Offices of the National Association of Securities Dealers, Inc. ("NASD") in Philadelphia, PA.

CASE SUMMARY

Claimants, Daniel and Elaine DeAngelo ("Claimants"), alleged that Daniel DeAngelo placed a "limit order" to purchase 20 Upjohn August 40 calls, and that the Respondent, Jesup, Josephthal & Co., Inc. ("Respondent"), failed to follow this instruction and instead placed a "market order" for the options which the Claimants allege resulted in a purchase at a price above what they wanted to pay.

Respondent contended that the loss sustained by the Claimants was due to market forces and not any wrongdoing on its part, and that all transactions

were executed in accordance with Mr. DeAngelo's instructions.

RELIEF REQUESTED

Claimants requested actual damages of \$2,390.57. Respondent requested dismissal of all claims made against it, plus that costs be assessed against the Claimants.

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. Pursuant to the by-laws of the NASD, the arbitrator determined that the Respondent was required to submit to this arbitration, notwithstanding the fact that it did not submit an executed submission agreement. Therefore, the Respondent is bound by this arbitrator's rulings and determinations.
2. Respondent Jesup, Josephthal & Co., Inc. be and hereby is liable and shall pay to the Claimants, Daniel and Elaine DeAngelo, the sum of Two Thousand Three Hundred Ninety Dollars and Fifty Seven Cents (\$2,390.57), with no interest.
3. The parties each shall bear their respective costs, including attorneys' fees.

FORUM FEES

Pursuant to Section 43c of the Code of Arbitration Procedure, the NASD shall retain the \$50.00 previously deposited by the Claimants as the costs of the one (1) hearing session conducted in this matter. Respondent be and hereby is liable and shall pay to the Claimants the additional sum of \$50.00 to offset the filing fee previously deposited by the Claimants.

Arbitrator's Signature



D. Joan Sampieri (Public Arbitrator)

Date of Decision:

August 15, 1991