

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant(s)

Keith E. Long

90-02867

Name of Respondent(s)

Waterhouse Securities

Heard before:

Name
Elliott Finkel

Public/Industry
Public

CASE SUMMARY

Claimant represented himself and Philip McElynn represented Waterhouse Securities.

This matter was initiated by a Statement of Claim filed with the National Association of Securities Dealers, Inc. ("NASD") on January 28, 1991.

Claimant set forth two claims. Claimant alleged that in 1989 he purchased shares of UAL stock, that Respondent should have placed a sell order made by Claimant, and Respondent was negligent by misinforming Claimant that the UAL shares could not be sold. Secondly, Claimant alleged that in 1990 he received an intimidating call from the manager of Waterhouse informing him that he would have to come up with a great deal of cash in a very short time in order to maintain his position and avoid liquidation. Claimant alleged that a lack of reliable communication both within Waterhouse and between Waterhouse and Claimant has cost Claimant a great deal of money. On the first claim, Respondent alleged that Waterhouse had a clear policy of requiring written instructions for the tendering and withdrawal of shares, that Claimant was informed of this requirement, that Respondent was not negligent, that Claimant is attempting to hold Waterhouse responsible for losses which occurred after Mr. Long had his shares available for sale, and that Waterhouse acted responsibly as Claimant's agent. On the second claim, Respondent alleged that Claimant was in no way pressured to sell his positions or purchase options, that Claimant decided to liquidate, and that Respondent acted responsibly at all times.

RELIEF REQUESTED

Claimant sought damages in the amount of \$13325.00 on the first matter and \$9990.00 on the second matter. Respondent asked that it be held blameless.

AWARD

On May 2, 1991 in Los Angeles, California during a hearing lasting one session, the undersigned arbitrator heard the controversy between the parties as set forth in submissions to arbitration signed by Claimant on October 9, 1990, and signed on December 31, 1990 by Philip J. McElynn on behalf of Respondent.

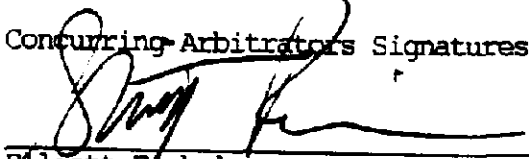
After considering the pleadings, the testimony, and the evidence presented at the hearing, the arbitrator has decided in full and final resolution of the issues submitted for determination as follows:

1. Respondent is liable for and shall pay to Claimant the sum of Seven Thousand Two Hundred Ninety Dollars Exactly (\$7290.00), inclusive of interest.
2. The parties shall each bear their respective costs including attorneys' fees.

FORUM FEES

In accordance with Section 43c of the NASD Code of Arbitration Procedure, the NASD shall retain the \$400 filing fee previously deposited by the Claimant [as an assessment of forum fees by the arbitrators]. Respondent is liable for reimbursing Claimant said \$400 filing fee.

Concurring Arbitrators Signatures


Elliott Finkel

Date of Decision: 5-14-91