

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

PaineWebber, Inc.

Claimant

and

91-00928

Robert Krause

Respondent

REPRESENTATION OF PARTIES

Claimant appeared and was represented by Edward G. Werner, Esq. of PaineWebber, Inc., Weehawken, New Jersey.

Respondent appeared pro se.

CASE SUMMARY

In a Statement of Claim filed with the National Association of Securities Dealers, Inc. ("NASD") on or about March 21, 1991, Claimant PaineWebber, Inc. ("Claimant") alleged that Respondent Robert Krause ("Respondent") owes money for stocks Respondent purchased.

Specifically, Claimant alleged that Respondent ordered the purchase of 20,000 shares of CEL SCI Corporation, which purchase order was executed and settled. Claimant alleged that after several attempts to seek payment from Respondent, and after having received no payment, all the shares were sold in accordance with the terms of the Client's Agreement, leaving an unsecured debit balance.

Respondent did not file a Statement of Answer.

### RELIEF REQUESTED

Claimant requested actual damages in the amount of \$16,296.81 plus interest from October 1, 1991, plus costs.

### PROCEDURAL MATTERS

On October 22, 1991 in Chicago, Illinois during a hearing lasting a total of one session, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed on March 20, 1991 by Gary Stegeland on behalf of Claimant PaineWebber, Inc.

Respondent Robert Krause did not file with the NASD a properly executed submission to arbitration but is required to submit to arbitration pursuant to Section 12 of the NASD Code of Arbitration Procedure, and having appeared and testified at the hearing is bound by the determination of the arbitration panel on all issues submitted.

Proper service was effected on Respondent on October 7, 1991.

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

### AWARD

The arbitration panel, having considered the pleadings, the testimony, and the evidence presented at the hearing, has decided in full and final resolution of the issues submitted for determination as follows:

1. Respondent Robert Krause shall be and hereby is liable for and shall pay to the Claimant PaineWebber, Inc. actual damages in the amount of Sixteen Thousand Two Hundred Ninety Six Dollars and Eighty One Cents (\$16,296.81);
2. Interest shall be awarded on the above sum at claimant PaineWebber's applicable margin rate beginning October 11, 1990 and;
3. Pursuant to Section 44(c) of the Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. shall retain the nonrefundable filing fee in the amount of \$500 and shall retain the hearing session deposit in the amount of \$600 previously deposited with the NASD by the Claimant. Respondent Robert Krause shall reimburse to the Claimant PaineWebber, Inc. the \$1,100 hearing session deposit and filing fee.

Dated:

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Barry E. Simon, Esq.  
Presiding Chair  
Public Arbitrator

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Ronald L. Futterman, Esq.  
Public Arbitrator

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Joan L. Miller  
Industry Arbitrator

Date served:

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