

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Gerald Rubin

No. 91-02287

Name of Respondent

First Chicago Investment Services, Inc.

REPRESENTATION OF PARTIES

For Claimant: Stewart I. Gartner, Esq.

For Respondent: Susan Caruba, Esq. of First Chicago Investment Services, Inc.

CASE INFORMATION

Statement of Claim filed: July 25, 1991.

Claimant's Submission Agreement signed on: July 11, 1991 by: Gerald Rubin.

Statement of Answer filed by Respondent First Chicago Investment Services, Inc. on: September 3, 1991.

Respondent First Chicago Investment Services, Inc.'s Submission Agreement signed on: August 28, 1991 by: Deborah L. Edwards.

HEARING INFORMATION

Hearing date: January 6, 1992 for 1 session.

Hearing Location: Chicago, Illinois

CASE SUMMARY

Claimant Gerald Rubin ("Claimant") alleged unauthorized trading, and omissions on the part of Respondent First Chicago Investment Services, Inc. ("Respondent"). On or about April 22, 1991, Claimant alleged giving the order to purchase Stone Container bonds ("Bonds") at a price quoted by Respondent of \$95.75. On or about April 28, 1991, Claimant received written confirmation from Respondent that he had purchased 50 Bonds at \$975.50. On or about April 29, 1991, Claimant informed Respondent that he only wished to purchase \$5,000.00 of the Bonds, and requested that the Respondent rescind the buy. On or about May 2, 1991, Claimant was informed that the Bonds had been sold for a \$1,700.00 loss. Claimant alleged that at no time did he request that Respondent sell the Bonds on his behalf, and that he did not authorize Respondent to sell the Bonds at a loss.

In its Statement of Answer, Respondent alleged that the Claimant did not tell Respondent's representative that he only wanted to spend \$5,000.00 on the purchase of the Bonds. Respondent further alleged that their representative confirmed the current market quotation in the standard useage of the industry after the Claimant had indicated a familiarity with such useage. Respondent also alleged that no recission of the transaction was possible because of the agreement executed between the parties which allowed the Respondent to liquidate the transaction without notice if payment was not received by the settlement date.

RELIEF REQUESTED

Claimant requested that the panel require the Respondent to refund his loss of \$1,700.

Respondent requested that the Claimant's Statement of Claim be denied.

OTHER ISSUES CONSIDERED & DECIDED

The parties have agreed that the Award in this matter may be executed by a handwritten, signed Award. The parties have also agreed to receive a conformed copy of the award while the original remains on file with the NASD.

AWARD

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

1. Respondent First Chicago Investment Services, Inc. is liable for, and shall pay to Claimant Gerald Rubin the sum of \$1,700.00.

FORUM FEES

Pursuant to Section 43 (c) of the NASD Code of Arbitration Procedure, the following forum fees are assessed:

1 hearing session at \$25.00

Pursuant to Section 43 (c) of the Code of Arbitration Procedure, the NASD will retain the filing fee in the amount of \$25.00, and the hearing session deposit in the amount of \$25.00 previously paid to the NASD by the Claimant Gerald Rubin.

Respondent First Chicago Investment Services, Inc. is liable for, and shall pay to Claimant Gerald Rubin the sum of \$25.00 for his hearing costs expended herein.

Dated:

January 15, 1992

/s/

Laurence S. Kahn
Laurence S. Kahn, Esq.
Presiding Chair
Public Arbitrator