

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.,

In the Matter of the Arbitration between :
Virginia Trading Co. :
Claimant : CASE #91-3477
vs. : AWARD
Stifel Nicolaus & Co., Inc. & :
Mike Taron :
Respondents :

PUBLIC

CASE SUMMARY

In a claim filed with National Association of Securities Dealers, Inc., on November 5, 1991, Claimant, Virginia Trading Co. through its representative Edward Groseclose, alleged that Respondents Stifel Nicolaus & Co., Inc. and Mike Taron failed to follow its explicit instructions to sell 5 Sun Microsystems August 30 Puts, and instead 'bought' 5 Sun Microsystems September 30 Puts, causing the August 30 Puts to expire, and a loss to the Claimant.

Respondents, Stifel Nicolaus & Co., Inc. and Mike Taron through its in-house counsel, Forrest M. Smith maintained that in order to sell the Sun Microsystems, the Claimant would have had to comply with Regulation T, meaning a margin account would have to be opened and the position would have had to been properly covered. The Respondents further maintained that it was the Claimant who errored and placed an order to buy the Puts and therefore the Respondents should not be held liable.

RELIEF REQUESTED

Claimant, Virginia Trading Co. requested \$940.72 in actual damages.

Respondents, Stifel Nicolaus & Co., Inc. and Mike Taron requested the claims of the Claimant be dismissed.

AWARD

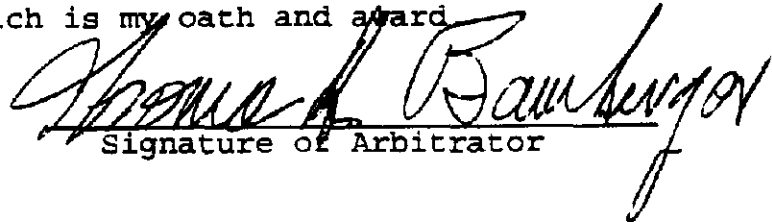
Pursuant to Section 13 of the National Association of Securities Dealers, Inc. Code of Arbitration Procedure, a single Public Arbitrator, Thomas A. Samberger, Esq., was selected to review and determine the matter in controversy between the parties set forth in submission to Arbitration signed by the Claimant on November 20, 1991, by the Respondent Mike Taron on January 17, 1992 and by Respondent Stifel Nicolaus & Co., Inc. on January 12, 1992.

And, the Arbitrator, having considered the proof of the Parties, has decided and determined in full and final resolution of the issues submitted for determination as follows:

1. The Respondents Stifel Nicolaus & Co., Inc. and Mike Taron are jointly and severally liable and shall pay \$449.98 in actual damages to Claimant Virginia Trading Co.
2. The parties shall bear their respective costs.
3. The \$30.00 filing fee previously deposited with the National Association of Securities Dealers, Inc., by the Claimant shall be retained by the NASD, Inc. Respondents Stifel Nicolaus & Co., Inc., and Mike Taron shall pay \$30.00 to Virginia Trading Co. as reimbursement for the filing fee.

AFFIRMATION

I, Thomas A. Bamberger, Esq., do hereby affirm upon my oath as arbitrator that I am the individual described herein and who executed this instrument, which is my oath and award.


Signature of Arbitrator

DATE OF DECISION: May 22, 1992