

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Cowen & Company

PUBLIC

91-03755

Name of Respondent

Sunil Munshani

REPRESENTATION

Claimant Cowen & Company ("Claimant") was represented by Daniel Donovan, Esq. of Cowen & Company.

Respondent Sunil Munshani ("Respondent") did not attend the hearing.

CASE INFORMATION

Statement of Claim filed on: November 26, 1991.

Claimant's Submission Agreement signed on: November 12, 1991.

Statement of Answer filed by Respondent on: February 18, 1992.

Respondent did not execute a Submission Agreement. He did, however, sign an Option Approval Form and Agreement which was attached to the Statement of Claim as Exhibit A which contained a Pre-Dispute Arbitration Clause. Therefore the Panel found jurisdiction over the Respondent.

HEARING INFORMATION

Hearing Date/Sessions: August 25, 1992, one session

Hearing Location: NASD Offices in New York.

CASE SUMMARY

Claimant alleged that Respondent placed an unsolicited order to purchase 50 OEX December 30 calls. Claimant alleged that this order was properly filled. Claimant alleged that Respondent was advised orally and in writing of the execution of this order. Claimant alleged that Respondent failed and refused to make payment for this trade. Claimant alleged that to comply with applicable margin requirements, Claimant effected a sell out in Respondent's account and that the proceeds of the sale were applied to the debit balance in the account but that a debit balance still remained in Respondent's

account. Claimant alleged that the sell out of the 50 CEX 30 calls resulted in a debit balance of \$29,136. Claimant alleged that despite Claimant's efforts that this amount remains due and owing.

Respondent maintained that he never placed a market order for the CEX options but rather a "Fill or Kill" order. Respondent maintained that he was telephoned by an employee for the Claimant 10 minutes later and informed that his order was not filled. Respondent maintained that the next day Respondent's broker's secretary called Claimant and informed Respondent that the order was filled. Respondent maintained that when he attempted to call his broker to question the trade his broker was unavailable.

RELIEF REQUESTED

Claimant requested an award in the amount of \$33,773.00 plus interest to the date the award is paid at the New York legal rate of 9% per annum plus costs of this proceeding.

Respondent did not make a relief request.

AWARD

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

1. That Respondent Sumil Munshani is liable to the Claimant Cowen & Company and shall pay to Claimant the sum of \$33,773.00 plus 9% simple interest per annum from August 25, 1992 until the date the award is paid.

FORUM FEES

Pursuant to Section 43(c) of the Code of Arbitration Procedure, the Forum Fees are assessed against Respondent in the amount of \$600 to cover the single hearing session conducted in this matter.

Page 3.
Award #91-03755

Fees are payable to the National Association of Securities Dealers, Inc.


Concurring Arbitrators' Signatures

Name

Public/Industry


Joseph B. Russell, Esq./Chairman

Public Arbitrator


Kenneth L. Stewart

Public Arbitrator


Edward S. DeSalvio

Industry Arbitrator

Date of Decision: August 18, 1992