

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimants

Bobby G. Little
Sharon Little

NASD Arbitration
No. 92-00632

Name of Respondent

Wedbush Morgan Securities

REPRESENTATION

For Claimant: In Pro Se

For Respondent: Marie Eaton - Wedbush Morgan Securities, Inc.

CASE INFORMATION

Statement of Claim filed: February 21, 1992

Claimants' Submission Agreement signed: February 13, 1992

Statement of Answer filed by Respondent: April 30, 1992

HEARING INFORMATION

Pre-Hearing Conference: None

Hearing Dates/Sessions: March 16, 1993 - One Session

Hearing Location: Los Angeles, California

CASE SUMMARY

Claimants, Bobby G. Little and Sharon R. Little (Little), alleged that Respondent, Wedbush Morgan Securities, Inc. (WMS), failed to properly supervise an employee who failed to follow Little's sell instruction and made unauthorized purchases in the Little account.

Respondent, WMS, alleged that the Littles position in a NYSE listed security was liquidated by a margin call after the market decline in October, 1987 and that the Littles made no effort to protest trades when they received confirmations and statements and ignored the opportunity to advise WMS of the allegations in the claim.

RELIEF REQUESTED

Claimants seek to recovery \$5,754.34 in commissions charged and losses for unauthorized trades in the amount of \$12, 443.73.

Respondent seeks dismissal of the claim in its entirety.

OTHER ISSUES CONSIDERED & DECIDED

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 originals remain on file with the NASD.

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. Respondent, Wedbush Morgan Securities, Inc., is liable and shall pay to Claimants, Bobby G. Little and Sharon Little, the sum of \$4,000.00 in satisfaction of all claims made.
2. The parties shall each bear their respective costs and fees.

3. Wedbush Morgan Securities, Inc., shall pay to Claimants the sum of \$200.00 for reimbursement of one-half of the hearing session deposit paid to the NASD by the Claimants.

FORUM FEES

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

Wedbush Morgan Securities, Inc., is assessed and shall pay to the NASD the sum of \$200.00 for forum fees for one-half of the forum fees assessable for one hearing session at \$400.00.

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

ARBITRATORS

Public/Industry
Public Chairperson
Public Panelist
Industry Panelist

Signatures



Served 4/21/1993

Date of Decision: March 16, 1993