

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

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In the Matter of the Arbitration Between

Name of Claimant

Robert Ferrin

92-01070

Name of Respondent

Janney Montgomery Scott, Inc.

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**REPRESENTATION**

For Claimant Robert Ferrin ("Claimant"): Anthony J. Hom, Attorney at Law.

For Respondent Janney Montgomery Scott, Inc. ("Respondent"): Elizabeth Hoop Fay of the law firm Morgan, Lewis & Bockius.

**CASE INFORMATION**

Statement of Claim filed: March 24, 1992.

Claimant's Submission Agreement signed on: February 29, 1992.

Statement of Answer filed by Respondent on: May 22, 1992.

Respondent's Submission Agreement signed on: May 20, 1992.

**HEARING INFORMATION**

Hearing Date/Sessions: December 16, 1992, two sessions.

Hearing Location: NASD Office, Philadelphia, PA.

**CASE SUMMARY**

Claimant alleged that during the week of October 19, 1987 he attempted to sell his shares of Royal Gold, Inc. through the Respondent's agent. Claimant alleged that Respondent's agent

would not execute his order in a timely fashion. Claimant alleged that Respondent gave preference to other customers over those at Respondent's Linwood branch. Claimant alleged that due to the wrongful conduct of Respondent, Claimant suffered monetary damages.

Respondent denied all of Claimant's allegation and maintained that in the days following October 19, 1987 the market for Royal Gold stock was illiquid. Respondent maintained that the market maker who entered a bid quotation was not willing nor required to buy or sell more than 100 shares. Respondent maintained that during the days following the crash, it performed its market making function in Royal Gold to the best of its ability. Respondent denied that it gave preference to customers of other branches over its Linwood Branch. Respondent maintained that as there were no buyers for Claimant's Royal Gold stock he did not have a legal obligation to execute Claimant's order.

#### **RELIEF REQUESTED**

Claimant requested compensatory damages in the amount of \$52,520 plus interest thereon and all costs and fees associated with this arbitration.

Respondent requested that an award be entered in its favor and against Claimant.

#### **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 and post hearing, the undersigned arbitrator has decided in full and final resolution of the issues submitted for determination as follows:

1. That Claimant's claim is denied in its entirety.
2. That the parties shall bear their respective costs, including attorney's fees.

#### **FORUM FEES**

Pursuant to Section 43(c) of the Code of Arbitration Procedure, the Arbitrators assessed forum fees.

Page 3  
Award #92-01070

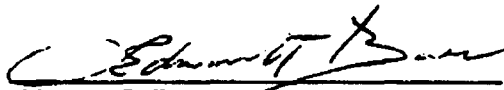
Two hearing sessions were conducted in this matter at \$500 per session so that \$1000 in hearing session fees are assessed as follows:

Claimant's initial hearing deposit of \$500 is retained and shall cover the cost of the first hearing session. The parties are to share the cost of the second hearing session. Claimant is assessed forum fees in the amount of \$250 and Respondent is assessed forum fees in the amount of \$250.

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

Concurring Arbitrator's Signature

Public/Industry

  
Edward T. Borer

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Industry Arbitrator

Date of Decision: January 27, 1993

Page 3

Award #92-01070

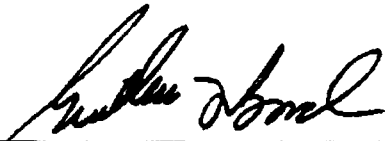
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Concurring Arbitrator's Signature

Public/Industry



Guillermo L. Bosch. Esq./Chairman

Public Arbitrator

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Page 3

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Public/Industry

Chess B. Faircloth 1/20/93  
Chess B. Faircloth

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Public Arbitrator

Date of Decision: January 27, 1993