



Arbitration

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

National Association of
Securities Dealers, Inc.
NASD Financial Center
33 Whitehall Street
New York, N.Y. 10004
FAX (212) 858-4389

In the Matter of the Arbitration Between

Name of Claimant

Daniel R. McGlynn

92-01351

Name of Respondent

Pacific Brokerage Services Inc.

REPRESENTATION

For Claimant Daniel R. McGlynn ("Claimant"): Daniel R. McGlynn represented himself.

For Respondent Pacific Brokerage Services ("Respondent"): James Kruger, Compliance Director for Pacific Brokerage Services represented the brokerage firm.

CASE INFORMATION

Statement of Claim filed: April 15, 1992.

Amended Statement of Claim filed: July 24, 1992.

Claimant's Submission Agreement signed on: March 24, 1992

Statement of Answer filed by Respondent on: June 30, 1992

Respondent's Amended Statement of Answer filed on: October 15, 1992

Respondent's Submission Agreement signed on: July 7, 1992

HEARING INFORMATION

Hearing Date/Session: October 19, 1992 - one session

Hearing Location: NASD Office - New York, New York

CASE SUMMARY

Claimant alleged that he owned 864 shares of Rockwell International Corporation Class A Common Stock ("Rockwell"). Claimant alleged that he told

Page Two
Case No. 92-01351
McGlynn Award

National Association of
Securities Dealers, Inc.
NASD Financial Center
33 Whitehall Street
New York, N.Y. 10004
FAX (212) 858-4389

Respondent to sell 764 shares of Rockwell and to leave the remaining 100 shares of Rockwell stock in his account. Claimant alleged that Respondents made a bookkeeping error which wrongfully created a short position of 764 shares of Rockwell in Claimant's account. Claimant alleged that he was wrongfully assessed margin interest charges in his account. Claimant alleged that Respondent failed to credit Claimant's for the dividends he should have received on his 100 shares of Rockwell in the third and fourth quarter of 1991. Claimant alleged that his shares were held by Respondent and not in Claimant's name. Claimant alleged that on two occasions Respondent wrongfully debited his account.

Respondent maintained that the 864 shares of Rockwell was in Claimant's name and not in "street name". Respondent maintained that the Rockwell Class A Common Stock was non-transferable and was required to be held in Claimant's name until it was converted or sold. Respondent maintained that when Claimant sold 764 share of Rockwell common stock, his account statement properly reflected a long position in Rockwell Class A common stock and a short position of 764 in the common shares. Respondents maintained at this point, it had to convert Claimant's Class A common shares to regular common shares. Respondent maintained that due to problems it had with Mellon Bank it took approximately seven months to complete the conversion. Respondent maintained that even though Mellon Bank held up the conversion, Respondent did promptly credit the Claimant with the sale of the Rockwell. Respondent maintained that Claimant did not receive dividends for the third and fourth quarter because Claimant was not a holder of record of the regular common Rockwell shares on the dividend record dates. Respondent maintained that the dividend checks that Claimant seeks are being held by Mellon Bank for Claimant's account. Respondent maintained that it should not be held liable for these dividends.

RELIEF REQUESTED

Claimant requested: compensatory damages in the amount of \$619.27, punitive damages in the amount of \$1,857.81, costs and disbursements and attorney's fees.

Respondent requested that Claimant's claim be dismissed in its entirety.

VERDICT

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

1. That on the claim for interest on Claimant's margin account, Respondent is liable to the Claimant and shall pay to the Claimant the sum of \$396.76;

Page Three
Case No. 92-01351
McGlynn Award

inclusive of interest.

2. That the dividend claim was resolved by agreement among the parties. Claimant has agreed to accept Mellon Bank's check and Respondent will indemnify Claimant for any I.R.S. consequences.
3. That Claimant's claim for punitive damages is denied in its entirety.
4. That each party shall bear their respective costs, including attorney's fees.

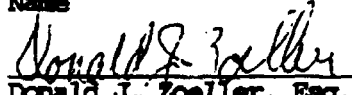
FORUM FEES

Pursuant to Section 43(c) of the Code of Arbitration Procedure, that all fees deposited by the Claimant shall be retained.

Arbitrator's Signature

Name

Public/Industry


Donald J. Zoeller, Esq.

Date of Decision: Nov 11, 1997

NASD Date of Decision: November 18th, 1992