

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimants

Martin & Miriam Wagman

92-01700

Name of Respondents

Uni Eq Investment Group, Inc.
Thomas Grebis

REPRESENTATION

For Claimants Martin and Miriam Wagman ("Claimants"): James Faulkner Detwiler,
Attorney at Law

For Respondents Uni Eq Investment Group, Inc. and Thomas Grebis ("Respondents"):
James A. Hartz, Attorney at Law

CASE INFORMATION

Statement of Claim filed: May 14, 1992

Claimants Submission Agreement signed on: August 15, 1989

Respondents did not submit a written answer or submission agreements; however, they did appear at the hearing and verbally answered all allegations.

HEARING INFORMATION

Hearing Date/Session: January 27, 1993 - one session

Hearing Location: NASD Office, Philadelphia, PA

CASE SUMMARY

Claimants alleged that Claimant Mr. Wagman on May 16, 1986 gave orders to Respondents

to execute certain S&P 100 Index Options. Claimants alleged that these orders were improperly placed by Scott Rovner ("Rovner"), an employee with Respondents. Claimants alleged Mr. Wagman immediately told Rovner that Rovner had improperly executed the trades. Claimants alleged that Rovner told Mr. Wagman that the trades would be placed in an error account. Claimants alleged that Rovner failed to do this even though Mr. Wagman repeatedly asked Respondents to do so. Claimants alleged that Respondents would not place the improperly executed trade into the error account because Uni-Eq Investment Group, Inc. ("Uni-Eq") did not have sufficient funds in the error account to cover the trades. Claimants alleged that Thomas Grebis ("Grebis") acknowledged the debt owed to Claimants but that he refused to pay until he had "settled up" with Rovner. Claimant alleged that Grebis should be held personal liable for the actions he took regarding Claimants account.

Respondents maintained that they were not subject to the jurisdiction of this Arbitration Panel since the membership of the Respondent firm and the association of Grebis have ceased. Respondents maintained at the hearing that Claimants' claim should be barred by all applicable statutes of limitation. Respondents maintained that they are not liable for claimants losses and that Uni-Eq was not required to maintain an error account but did maintain a reserve account of \$5,000. Grebis maintained that he can not be held personally liable for the losses to Claimants because he had no personal involvement in the handling of Claimants' account.

RELIEF REQUESTED

Claimants requested compensatory damages in the amount of \$38,765.73, plus interest, costs and attorney's fees.

Respondents requested that Claimants' claim be dismissed 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.

Respondents contested the NASD Arbitration Panel's jurisdiction over this claim. The Panel held that it has jurisdiction over the Respondents as Uni Eq was a member at the time of the conduct which gave rise to the claim being arbitrated occurred. Similarly, the Panel exercised its jurisdiction over Grebis because he was an Associated Person at the time of the conduct which gives rise to the claim being arbitrated. The panel finds that

jurisdiction is conferred by the NASD's Code of Arbitration Procedure and is predicated on the fact of membership or association with the NASD at the time of the alleged conduct, not at the time of the filing of the claim being arbitrated.

AWARD

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 Claimants' claim is denied in its entirety.
2. That the parties shall bear their respective costs, other than those specifically provided for herein.

FORUM FEES

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

1 hearing session X \$400 = \$400

Pursuant to Section 43 of the Code of Arbitration Procedure, the NASD shall retain Claimants' hearing session deposit of \$400 to cover the costs of the single session of hearings conducted in this matter.

Concurring Arbitrator's Signature
Name

Public/Industry


E. Howard Goodwin, Jr.

NASD Date of Decision: March 4th, 1993

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Concurring Arbitrator's Signature
Name

Barbara A. Ash
Barbara A. Ash

Public/Industry

Public

NASD Date of Decision: March 4th, 1993

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Concurring Arbitrator's Signature
Name

Joseph R. Lally
Joseph R. Lally, Esq.

Public/Industry

Date of Decision:

22 February 1993

NASD Date of Decision: March 4th, 1993