

PUBLIC

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Lawrence H. Van der Aa

92-02491

Name of Respondent

High Yield Management Securities, Inc.

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on July 28, 1992, Claimant Lawrence H. Van der Aa, who appeared Pro Se, alleged that Respondent High Yield Management Securities, Inc. was negligent when, through its representative Robert Kaufman, it misrepresented to the Claimant that the Citicorp corporate rates he wanted to purchase did not have "call features", when in fact they did. The Claimant further alleged that the Respondent did not have the necessary resources needed to discover these bonds were callable, and that it should be responsible for the loss caused by its own negligence. The Claimant contended that although he was willing to come to agreeable terms in order to make himself whole, the Respondent's only offer was to place him in a lower rated bond, which was not only undesirable, but far beyond the risk tolerance for someone like himself.

Respondent High Yield Management Securities, Inc., through its representative, Philip Eitman, maintained that the Claimant is a knowledgeable investor who became disgruntled after his bonds were called, and that he knew what he was purchasing when he bought the Citicorp Notes. The Respondent contended that it should not be held liable, nor did the Claimant suffer tremendous financial hardship.

RELIEF REQUESTED

Claimant Lawrence H. Van der Aa requested \$4,392.00 in actual damages.

Respondent High Yield Management Securities, Inc. requested that the claims of the Claimant be dismissed.

AWARD

Pursuant to Section 13 of the National Association of Securities Dealers, Inc. Code of Arbitration Procedure, a single Public Arbitrator, David Muschler, Esq., was selected to review and determine the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimant on July 21, 1992 and by the Respondent on September 4, 1992.

And, the Arbitrator, having considered the proof of the Parties, has decided and determined in full and final resolution of the issues submitted for determination as follows:

1. The claims of the Claimant Lawrence H. Van der Aa against Respondent High Yield Management Securities, Inc. are dismissed in their entirety.
2. The parties shall bear their respective costs.
3. The \$125.00 filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimant shall be retained by the NASD, Inc. Respondent High Yield Management Securities, Inc. is liable and shall pay \$125.00 to the Claimant as reimbursement of the fee.

AFFIRMATION

I, DAVID MUSCHLER, ESQ., do hereby affirm upon my oath as arbitrator that I am the individual described herein and who executed this instrument, which is my oath and award.



Signature of Arbitrator

DATE OF DECISION: MARCH 10, 1993