

PUBLIC

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

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In the Matter of the Arbitration Between

Name of Claimant

Evan Solomon

92-02647

Name of Respondent

Gruntal & Co., Inc.

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**CASE SUMMARY**

In a claim filed with the National Association of Securities Dealers, Inc. on August 7, 1992. Claimant Evan Solomon, who appeared Pro Se, alleged that Respondent Gruntal & Company executed an order to purchase 50 ADJ Conversion to SPX index options without his authorization or knowledge. The Claimant contended that the order was placed by a friend who had no authorization over the account, and that since he had nothing to do with the purchase of the option, he should not be obligated to cover the debit in the account.

Respondent Gruntal & Co., Inc., through it's in-house counsel, Emilia M. DeMeo, Esq., maintained that the Claimant's claim that the purchase in question was unauthorized is false and that he not only authorized the purchase in a telephone call he himself made, but that the purchase was unsolicited and he received a discount on the commission. The Respondent further maintained that the purchase may have been his friend's idea, but Claimant Evan Solomon placed the order for his own individual account.

In a counterclaim filed by Gruntal & Co., Inc. it was alleged that Evan Solomon is legally responsible to pay the debit balance that he incurred as a result of his purchase of the index option.

Counterrespondent Evan Solomon, in response to the counterclaim, maintained that the broker is not telling the truth about this transaction, and that he never called them to order the purchase of the options. Counterrespondent Solomon further maintained that he was assured by his broker that the problem would be corrected, but it has not been, and that he should not be held liable in this matter.

### **RELIEF REQUESTED**

Claimant Evan Solomon requested that he receive \$3,432.57 in actual damages, and that he not be held liable to the Respondent for this amount.

Respondent Gruntal & Co., Inc. requested that the claims of the Claimant be dismissed and that it be awarded \$3,432.57 on its counterclaim against the Claimant.

### **OTHER ISSUES CONSIDERED & DECIDED**

The Claimant's request for telephone records has been denied.

### **AWARD**

Pursuant to Section 13 of the National Association of Securities Dealers, Inc. Code of Arbitration Procedure, a single Public Arbitrator, Roger C. Benson, 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 28, 1992 and by the Respondent on October 26, 1992.

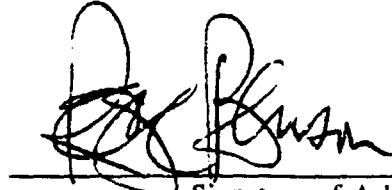
And, the Arbitrator, having considered the proof of the Parties, has decided and determined in full and final resolution of the issues submitted for determination as follows:

1. The claims of the Claimant Evan Solomon against the Respondent Gruntal & Co., Inc. is dismissed in its entirety.
2. Pursuant to the counterclaim filed by Gruntal & Co., Inc. against Evan Solomon, Evan Solomon is liable and shall pay to counterclaimant Gruntal & Co., Inc. \$3,432.57 in actual damages.
3. The parties shall bear their respective costs.
4. 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. The \$500.00 partial filing fee previously deposited by the Respondent shall be retained by the NASD, Inc. Respondent Gruntal & Co., Inc. shall pay \$75.00 to the NASD in order to make complete payment of the \$75.00 fee.

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**AFFIRMATION**

I, **ROGER C. BENSON, 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.

  
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Signature of Arbitrator

DATE OF DECISION: March 12, 1993