

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Sara Bachman Ducey

92-03183

Name of Respondents

Olde Discount Corporation
Terry Wrightson

REPRESENTATION

Claimant Sara Bachman Ducey ("Claimant") was represented by: John A. Ritchie, Attorney at Law.

Respondents Olde Discount Corporation and Terry Wrightson ("Respondents") were represented by: Mark L. Kowalsky, Esq. of the law firm of Hertz, Schram & Saretsky, P.C.

CASE INFORMATION

Statement of Claim filed on: September 21, 1992.

Claimant's Submission Agreement signed on: September 14, 1992.

Joint Statement of Answer filed by Respondents Olde Discount Corporation ("Olde") and Terry Wrightson ("Wrightson") on: November 4, 1992.

Respondent Wrightson's Submission Agreement signed on: November 12, 1992.

Respondent Olde did not file an executed Submission Agreement.

HEARING INFORMATION

Hearing Date/Sessions: June 9, 1993, two sessions

Hearing Location: NASD, Executive Offices, Washington, D.C.

CASE SUMMARY

Claimant alleged that she opened an account with Olde on January 29, 1992 for the sole purpose of selling 4000 shares of Bachman Information Systems, Inc. ("Bachman"). Claimant alleged that Olde and Wrightson failed to timely execute her sell order on Bachman between the dates of February 6, 1992 through March 3, 1992, despite Claimant's repeated requests by Claimant and repeated assurances by Foley, Hoag & Eliot, Bachman's outside counsel, which had assured the sale could be consummated under Rule 144(k). Claimant alleged that Respondents' failure to carry out Claimant's instructions and execute the trade or to disclose the certainty of the unreasonable delay before execution of the trade, constituted gross negligence or wilful misconduct.

Respondents categorically denied all allegations of wrongdoing and maintained that Claimant's account was properly handled. Respondents maintained that in late January, 1992, Claimant delivered the restricted Bachman certificates to Olde for sale purposes. Respondents maintained that Claimant was informed that the transaction would take 3 to 4 weeks to remove the restriction and the stock would not be sold until that occurred. Respondents maintained that this time period was acceptable to Claimant and she acknowledged this in writing. Respondents maintained that the price of Bachman began to fall, which altered Claimant's acceptance of the 3 to 4 week time frame. Respondents maintained that Claimant demanded her stock be sold immediately or returned. Olde maintained it was unable to immediately sell. Olde returned the stock to Claimant who then sold it through another firm. Respondents maintained that they properly handled Claimant's order to sell restricted stock and delays were caused by the need to ensure compliance with Rule 144 prior to the sale.

RELIEF REQUESTED

Claimant requested \$45,000 in compensatory damages, less a reasonable broker's commission; plus costs and reasonable attorney's fees.

Respondents requested that Claimant's claim be dismissed in its entirety, and that the Respondents be awarded attorney fees.

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 Motion to Dismiss which was made in the morning on June 9, 1993 was denied.

Pursuant to the by-laws of the NASD the Panel determined that Olde was required to submit this Arbitration, notwithstanding its failure to submit an executed Submission Agreement. Therefore, Olde is bound by the rulings and determinations of this Panel.

AWARD

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

1. That Respondent Olde is liable to the Claimant and shall pay to the Claimant the sum of Thirty Thousand Dollars (\$30,000); exclusive of interest.
2. That the Parties shall bear their respective costs and attorneys' fees except as specified herein.
3. All claims against Respondent Wrightson are denied in their entirety.

FORUM FEES

Pursuant to Section 43(c) of the Code of Arbitration Procedure, the following Forum Fees are assessed:

2 sessions x \$400 = \$800

Claimant previously deposited a check of \$520, representing a \$400 hearing session deposit and a \$120 non-refundable filing fee.

Pursuant to Section 43(c) of the Code, Olde shall reimburse to Claimant her hearing session deposit of \$400 and her non-refundable filing fee of \$120.

Olde shall pay to the NASD the sum of \$400.

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

Concurring Arbitrators' Signatures
Name

Public/Industry

David Freund
David Freund

Public Arbitrator


Date of Decision: July 26, 1993

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

Concurring Arbitrators' Signatures
Name

Public/Industry


Michael Fischetti
Chairman

Public Arbitrator


Date of Decision: July 26, 1993

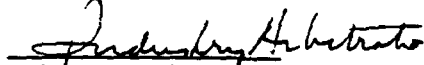
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Concurring Arbitrators' Signatures
Name

Public/Industry .


Ida C. Wurczinger, Esq. (7/26/93)


Industry Arbitrator

Date of Decision: July 26, 1993