

N.A.S.D. AWARD

PUBLIC

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimants

Thomas and Susan Addario

92-03549

Name of Respondent

Peter Bill

REPRESENTATION

For Claimants: Thomas and Susan Addario appeared pro se.

For Respondent: Peter Bill appeared pro se.

CASE INFORMATION

Statement of Claim filed: October 19, 1992.

Claimants' Submission Agreement signed on: October 14, 1992.

Statement of Answer filed by Respondent on: November 24, 1992.

Respondent's Submission Agreement signed on: November 24, 1992.

HEARING INFORMATION

Hearing Date/Sessions: June 29, 1993/ 1 session.

Hearing Location: Boston, Mass.

CASE SUMMARY

Claimants: Thomas and Susan Addario, made two allegations against the Respondent. First, the Claimants alleged that Mr. Bill improperly handled the Claimants' stock account by selling stocks that were increasing in value, while holding stocks that were decreasing in value. The Claimants further alleged that they suffered losses because the Respondent sold too soon certain stocks that were increasing in value. In addition, Claimants alleged that they suffered losses because the Respondent failed to minimize their losses by divesting the Claimants' account of the stocks that were decreasing in value. Second, the Claimants alleged that Mr. Bill had failed to sign, or even mention, a discretionary agreement authorizing him to trade for their account and alleged on the buy side most stocks were bought with his approval and on the sell side Mr. Bill made most of the decisions and exercised discretion over the account.

Respondent alleged that he did not handle the Claimants' account improperly. Rather, the Respondent alleged that he acted in a professional and proper manner at all times. Respondent further alleged that he should not be faulted for selling stocks too soon since they had been profitable for the Claimants and, Respondent alleged, nobody can predict with total accuracy the future value of stocks. Therefore, the Respondent alleged that he acted in a professional and responsible manner. Respondent also alleged that three of the five stocks alleged by the Claimants to have been sold too soon have since decreased in value to a point below what Claimants originally paid for them. In addition, Respondent alleged that he should not be responsible for the losses on the stocks that the Claimants alleged were not sold in time because the Claimants still retained these stocks in their portfolio and, as such, these losses could only be considered paper losses for which the Claimants should not be given relief.

Respondent further alleged that, after 16 years in the industry, he was well aware of the rules of discretionary trading. Respondent alleged that such an agreement was not needed because at no time was discretion ever exercised by him over the Claimants' account, as all trades were thoroughly discussed with, and authorized by, the Claimants .

RELIEF REQUESTED

Claimants requested: the sum of \$4,160.36 in actual/compensatory damages and the sum of \$200.00 in interest for a total sum of \$4,360.36.

Respondent requested: dismissal of the Claimants' claims in their entirety.

AWARD

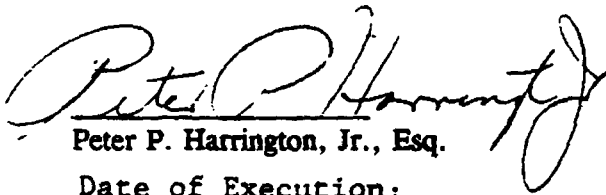
After considering the pleadings, the testimony and the evidence presented at the hearing, the undersigned arbitrator has decided in full and final resolution of the issues submitted for determination as follows:

1. The Claimants' claims are denied and dismissed in their entirety.
2. The Respondent be and hereby is liable and shall pay to the Claimants the sum of \$50.00 to reimburse them the fees paid.

FORUM FEES

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

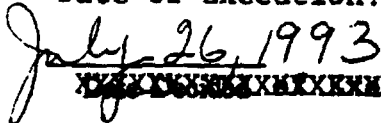
1 session X \$100.00 minus \$100.00 hearing session deposit = net \$0.00 due.



Chairman

Peter P. Harrington, Jr., Esq.

Date of Execution:



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Date of Decision: August 3, 1993