

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

O. Jonathan Steinacker

vs.

AWARD

#92-03935

Name of Respondents

Oppenheimer & Co., Inc.
Kenneth M. Harb

REPRESENTATION

For Claimant: O. Jonathan Steinacker appeared pro-se.

For Respondent: Karen A. Gould, Esq. of Hertz, Schram & Saretsky.

CASE INFORMATION

Statement of Claim filed: November 19, 1992.

Claimant's Submission Agreement signed on: October 22, 1992

Statement of Answer filed by Respondents, Oppenheimer & Co., Inc. and
Kenneth M. Harb on: April 13, 1993.

Respondent, Oppenheimer & Co., Inc., Submission Agreement signed on: April
12, 1993.

Respondent, Kenneth M. Harb did not submit an executed Submission
Agreement.

HEARING INFORMATION

Hearing Date/Sessions: November 12, 1993 - One Session.

Hearing Location: American Arbitration Association - Southfield, MI.

CASE SUMMARY

Claimant alleges that he was contacted by Respondent, Kenneth M. Harb ("Harb") a stockbroker for Respondent, Oppenheimer & Co., Inc. ("Oppenheimer") who asked if he was interested in investing in the stock market. Claimant alleges that he said no, but that after repeated calls from Harb, he agreed to purchase stock in Texas Air.

Claimant alleges that a few weeks later he received a letter from Oppenheimer asking for payment to cover his margin purchase of Texas Air. Claimant alleges that he did not authorize the use of margin to purchase the stock and instructed Harb to sell the stock immediately.

Respondents maintain that the Claimant received a confirmation of the transaction several months before he complained of the purchase. Respondents maintain that the margin call that the Claimant received was precipitated by the stock market crash of 1989. Respondents further maintain that Claimant knew he was buying the stock on margin since he sent in a check for 50% of the purchase price. In addition, Respondents maintain that Claimant received a Regulation T notice which clearly stated that he was required to send in 50% of the purchase price to comply with Federal Reserve Board Regulations.

RELIEF REQUESTED

Claimant requested damages in the amount of \$5,303.45 for the balance of his initial investment and \$2,259.00 for payment of state and federal taxes plus the costs of this proceeding. In addition, Claimant requested treble damages.

Respondents requested that the Claim be dismissed in its entirety and that the costs be assessed against the Claimant.

OTHER ISSUES CONSIDERED & DECIDED

Respondents made an oral Motion at the hearing to dismiss the Claim on Statute of Limitation grounds. The panel denied the Motion.

Pursuant to the by-laws of the NASD, Respondent, Kenneth M. Harb was required to submit to this arbitration, notwithstanding his failure to submit an executed Submission Agreement. Therefore, Kenneth M. Harb is bound by this panel's rulings and determinations.

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. The Respondents, Oppenheimer & Co., Inc., and Kenneth M. Harb are hereby jointly and severally liable and shall pay to the Claimant the amount of \$3,300.00 (THREE THOUSAND THREE HUNDRED DOLLARS AND NO CENTS).
2. Each party shall bear their respective costs of this action.

FORUM FEES

Pursuant to Section 43c of the Code of Arbitration Procedure, the following Forum Fee(s) are assessed.

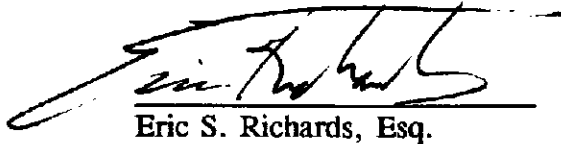
\$120 - Non-refundable filing fee
\$400 - Hearing Session fees (\$400 X 1 Session).

1. Total forum fees in the amount of \$520.00 are hereby assessed against the Respondents, jointly and severally. Respondents shall re-imburse to the Claimant the amount of \$400.00 Claimant previously paid to the NASD, Inc. Respondents are directed to pay the balance of \$120.00 to the NASD, Inc.

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Concurring Arbitrator's Signature
Name

Public/Industry



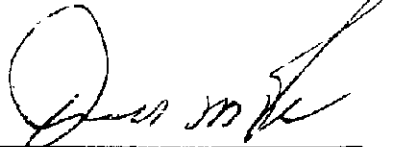
Eric S. Richards, Esq.

Industry Arbitrator

Date of Decision: December 29, 1993

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Concurring Arbitrator's Signature
Name



David M. Black, Esq.

Public/Industry

Chairperson

~~Date of Decision:~~ 12/20/93

Date of Decision: December 29, 1993

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Concurring Arbitrator's Signature
Name

Public/Industry



Albert A. Miller, Esq.

Public Arbitator

Executed on:

~~Date of Decision:~~

12/20/93

Date of Decision: December 29, 1993