

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Thomas E. Canfield

93-00034

Name of Respondents

Edward S. Schlichting
Rio S. Vitale

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on January 5, 1993, Claimant Thomas E. Canfield, who appeared Pro Se, alleged that Respondents Edward S. Schlichting and Rio S. Vitale of Scottsdale Securities, failed to purchase 500 shares of Ross Cosmetics stock pursuant to his instructions to do so, and that he has suffered a loss due to the Respondents' error. The Claimant further alleged that Respondent Rio S. Vitale canceled his buying power to cover Respondent Edward S. Schlichting's mistake in not executing the purchase order. The Claimant contended the Respondents should be held liable for the error they made.

Respondents Edward S. Schlichting and Rio S. Vitale, in a Joint Statement of Answer, maintained that they had every right to take a reasonable amount of time to validate good buying power before entering orders for restricted customers. The Respondents contended that they owe nothing to the Claimant with regard to this claim.

In a response to the Statement of Answer, the Claimant refuted the defenses used by the Respondents and reiterated that his account had the buying power to effect the purchase in question.

RELIEF REQUESTED

Claimant Thomas E. Canfield requested \$1,062.50 in actual damages, plus \$1,062.50 in punitive damages.

Respondents Edward S. Schlichting and Rio S. Vitale requested 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, William F. Skewes, 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 November 1, 1992, by the Respondent Rio S. Vitale on February 11, 1993 and by the Respondent Edward S. Schlichting on March 1, 1993.

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 Thomas E. Canfield against Respondents Edward S. Schlichting and Rio S. Vitale are dismissed in their entirety.
2. The Claimant's request for punitive damages is denied.
3. The parties shall bear their respective costs.
4. The \$50.00 filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimant shall be retained by the NASD, Inc.

AFFIRMATION

I, WILLIAM F. SKEWES, 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: June 2, 1993