

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

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In the Matter of the Arbitration Between

Name of Claimant

G. Donald Ritter, DVM

93-00394

Name of Respondents

Bull & Bear Securities, Inc.  
James Joseph Dempsey

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**REPRESENTATION**

Claimant G. Donald Ritter, DVM ("Claimant") appeared pro se.

Respondents Bull & Bear Securities, Inc. ("BBSI") and James Joseph Dempsey ("Dempsey") were represented by Thomas J. McCabe, Attorney At Law.

**CASE INFORMATION**

Statement of Claim filed on: February 1, 1993.

Claimant's Submission Agreement signed on: January 29, 1993.

Respondents BBSI and Dempsey (collectively referred to as "Respondents") filed a Joint Statement of Answer and Counterclaim on: March 23, 1993.

Respondent BBSI's Submission Agreement signed on: March 19, 1993.

Respondent Dempsey's Submission Agreement signed on: March 19, 1993.

Claimant's reply to the counterclaim was filed on: April 12, 1993.

**HEARING INFORMATION**

Hearing Date/Session(s): January 14, 1993, one session.

Hearing Location: Omni Hotel, Baltimore, Maryland.

**CASE SUMMARY**

Claimant alleged that in placing orders to purchase options in Schering-Plough and Home Depot, Respondents wrongfully accepted his order without determining whether or not Claimant had sufficient funds to cover the trade. Claimant alleged that he was led to believe that in accepting option orders from him, Respondent BBSI was undertaking to verify that Claimant had sufficient funds in his account to cover those orders. Claimant believed that it was Respondents customary practice to ensure that Claimant had sufficient funds available before executing a trade. Claimant alleged that Respondents are responsible for the debit balance in his account and that it should be covered by BBSI.

Respondents categorically denied all allegations of wrongdoing and specifically maintained that Claimant is responsible for the January trades. Respondents contend that Claimant was aware that he was obligated to pay for the debit balance.

Respondent BBSI counterclaimed against Claimant for the debit balance in his account which remains due and owing. In addition, Respondent BBSI alleged that pursuant to its contract with Claimant, Claimant is liable for attorney's fees. BBSI in its counterclaim alleged breach of contract and common law fraud.

Claimant replied to the counterclaim denying each and every allegation.

**RELIEF REQUESTED**

Claimant requested that Respondent BBSI be ordered to pay the account debit in 083-05885-2-1 in full plus \$150 in filing fees.

Respondents requested that Claimant's claim be dismissed and Respondent BBSI requested \$6,435.06 in actual damages, plus interest, \$15,000 in exemplary or punitive damages, attorney's fees, costs and all disbursement related hereto.

**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 claim by G. Donald Ritter, DVM, that the Respondents, or either of them, should be held responsible for the debit in Claimant's account, is denied.
2. Respondent BBSI's counterclaim against Claimant for breach of contract is sustained. Respondent BBSI's counterclaim is in all other respects denied. Claimant is liable and shall pay to Respondent BBSI the sum of \$2,110.00; inclusive of interest.
3. Respondent BBSI's requests for punitive damages and attorney fees are denied. The parties shall bear their respective costs and expenses, except as indicated herein.

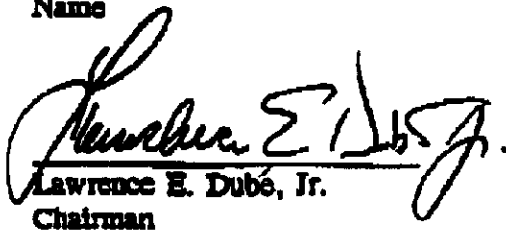
**FORUM FEES**

Pursuant to Section 43(c) of the Code of Arbitration Procedure, all fees previously filed by the parties shall be retained and no additional fees are assessed.

Arbitrator's Signature

Name

Public/Industry

  
Lawrence E. Dubé, Jr.  
Chairman

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Public Arbitrator

NASD Date of Decision: January 28, 1994