

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between

Name of Claimant

James McCauley

93-02131

and

Name of Respondent

Prudential Securities, Inc.

REPRESENTATION OF PARTIES

Claimant represented himself at the hearing.

Respondent was represented by Peter Byer, Esq. of Prudential Securities, Inc., New York, New York, at the hearing.

CASE INFORMATION

The Statement of Claim was filed on May 26, 1993. The Submission Agreement of Claimant was signed on May 24, 1993.

The Statement of Answer was filed by Respondent on July 13, 1993. The Submission Agreement of Respondent was signed on July 13, 1993.

HEARING INFORMATION

The hearing was held on January 11, 1994
in Chicago, Illinois for a total of two sessions.

CASE SUMMARY

Claimant, James McCauley ("McCauley") alleged that Respondent, Prudential Securities, Inc. ("Prudential") failed to execute a trade which he had requested, which resulted in a loss of \$7,500.00.

Respondent, Prudential, in its Answer, denied that they are in any way liable. Prudential stated that McCauley attempted to purchase a quantity of option contracts on margin. However, the trade could not be placed since, under New York Stock Exchange rules, there must be at least a \$2000 balance in an account in order to utilize margin which McCauley did not have.

Prudential further stated that since McCauley never deposited the additional funds, the trade could not have been entered.

RELIEF REQUESTED

Claimant requested his loss in the amount of \$7500.

Respondent requested that the Statement of Claim be dismissed in its entirety.

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 N.A.S.D.

AWARD

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

1. The Claimant's Statement of Claim is denied and dismissed in its entirety;
2. Each of the parties shall bear their own costs and expenses, including attorney's fees, other than those specifically enumerated under Forum Fees below.

FORUM FEES

Pursuant to §43(c) of the N.A.S.D. Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. ("N.A.S.D.") shall retain the non-refundable filing fee in the amount of \$75.00 and shall retain as forum fees the hearing session deposit in the amount of \$200.00 previously deposited with the N.A.S.D. by the Claimant.

Forum fees are calculated at the rate of \$200.00 per hearing session x 2 hearing sessions = \$400. **Total Amount Due:** \$200 which shall be paid by Respondent, Prudential Securities, Inc. as ordered by the arbitrator.

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

By The Arbitrator:

Dated:

Frederick J. Otto, Esq. s/s

June 9, 1994

Frederick J. Otto, Esq.

Presiding, Public Arbitrator

Date Award Served By The NASD: 6-14-94