

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Gary J. Zeran

93-02808

Name of Respondent

Olde Discount Corporation

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on July 20, 1993, Claimant Gary J. Zeran, who appeared Pro Se, alleged that Respondent Olde Discount Corporation failed to execute an order to sell 7 Ford Call Options at the price of \$5.00 as he had instructed his broker, Dan Katzman. The Claimant further alleged that after many attempts to correct this error, Mr. Katzman admitted they were in error, but did not offer to make him whole. Claimant Gary J. Zeran contended that he has suffered damages due to the wrongdoing of the Respondent, and that, therefore, it should be held liable.

Respondent Olde Discount Corporation, in its answer, through in-house counsel Karen L. Brink, Esq., maintained that the Claimant entered an order to sell 7 Ford Calls, which was not executed due to an error in the Options Exchange, and that although the Claimant was aware of the error, he failed to complain to the Respondent or to mitigate his alleged losses by immediately selling the calls, but instead, chose to continue trading the options for 2 more weeks, until they eventually expired worthless. The Respondent further contended that the Claimant had a duty to act more diligently on his own behalf, and his failure to do so has caused him to waive any claim he may have had against the Respondent.

RELIEF REQUESTED

Claimant Gary J. Zeran requested \$3,500.00 in actual damages.

Respondent Olde Discount Corporation requested that 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, Carole M. Crosby, 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 July 13, 1993 and by the Respondent on November 5, 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. Respondent Olde Discount Corporation is liable and shall pay to Claimant Gary J. Zeran \$262.50 in actual damages.
2. The parties shall bear their respective costs.
3. The \$125.00 filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimant shall be retained by the NASD, Inc. Respondent Olde Discount Corporation is liable and shall pay \$125.00 to the Claimant as reimbursement of the filing fee.

AFFIRMATION

I, CAROLE M. CROSBY, 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: March 8, 1994