

N.A.S.D. AWARD

PUBLIC

NATIONAL ASSOCIATION OF SECURITIES DEALERS

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In the Matter of the Arbitration Between

Name of Claimant(s)

Lawrence R. Endres

93-03093

Name of Respondent(s)

Scottsdale Securities, Inc.

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**REPRESENTATION**

For Claimant Lawrence R. Endres: J. Pat Sadler, Esq. of the law firm of Sadler & Associates of Roswell, GA.

For Respondent Scottsdale Securities, Inc.: John G. Garavaglia, Esq. of the law firm of Raskas, Ruthmeyer, Pomerantz, Wynne, Garavaglia and Susman of St. Louis, MO.

**CASE INFORMATION**

Statement of Claim filed: August 6, 1993.

Claimant's Submission Agreement signed on: June 15, 1993.

Statement of Answer filed by Respondent Scottsdale Securities, Inc. on: September 21, 1993.

Respondent Scottsdale Securities, Inc.'s Submission Agreement signed on: September 20, 1993.

Amended Statement of Answer filed: October 26, 1993.

Amended Answer to Statement of Claim filed: March 11, 1994.

### **HEARING INFORMATION**

Hearing Dates/Sessions: March 29, 1994 Pre-hearing conference.  
April 12, 1994 / Two Sessions.

Hearing Location: NASD offices located in Atlanta, GA.

### **CASE SUMMARY**

Claimant alleged that Respondent failed to follow his instructions to short 3,000 shares of stock of Parametric Technology. Claimant further alleged the Respondent deliberately deceived the Claimant and misrepresented to the Claimant that his instructions had been followed. Claimant further alleged the Respondent was negligent and caused the Claimant significant monetary damages.

Respondent maintained the Claimant was informed at the outset that there must have been a misunderstanding because no short sale had been attempted as there was no hand written order for the alleged short sale in the Atlanta order files. Respondent further maintained at no time did any of the brokers at Scottsdale Securities, Inc. enter an order to short shares of Parametric Technology.

### **RELIEF REQUESTED**

Claimant requested damages of \$15,000.00.

Respondent requested a dismissal of the claim plus reasonable attorneys' fees and expenses incurred in defending the claim.

### **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 Respondent be and hereby is liable and shall pay to the Claimant the sum of \$3,750.00.
2. The Respondent be and hereby is liable and shall pay to the Claimant the sum of \$500.00 representing the claim filing fee and hearing session deposit previously paid by the Claimant to the NASD.

3. Each party shall bear their respective costs including attorneys' fees.

**FORUM FEES**

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

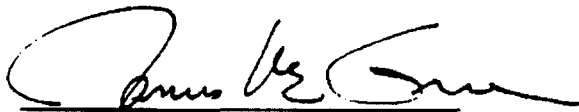
2 sessions x \$400.00 plus one pre-hearing conference  
(\$300.00) = \$1,100.00 less Claimant's hearing  
session deposit (\$400.00) = net \$700.00 due.

The Claimant be and hereby is liable and shall pay to the NASD the sum of \$150.00 representing forum fees.

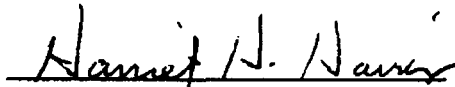
The Respondent be and hereby is liable and shall pay to the NASD the sum of \$550.00 representing forum fees.

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

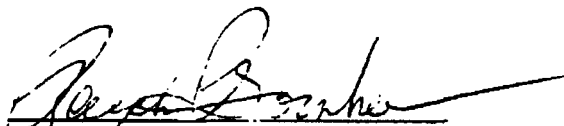
**ARBITRATORS' SIGNATURE**



James R. McGuone, Esq.  
Public Arbitrator



Harriet H. Harris, Esq.  
Public Arbitrator



Ralph Bornheim  
Industry Arbitrator