

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimants

Syed Shahid Hussain

93-03225

Name of Respondents

Prudential Securities, Inc.

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on August 17, 1993, Claimant Syed Shahid Hussain, who appeared Pro Se, alleged that he was employed as a broker at Respondent Prudential Securities, Inc. Claimant further alleged that he received a complaint from one of his clients while employed by Respondent which alleged that he never followed the client's instructions to cancel an open order to purchase 500 Americus Trust for Xerox Corp. shares. Claimant denied this allegation made by his client. Claimant contended that his manager at Respondent decided to pay the client \$2,785.92 after Claimant left Respondent in an effort to keep his account, even though she knew the client had no genuine complaint. Claimant further contended that this action by his manager at Respondent violated Respondent's written rules at his expense. Claimant alleged that the client followed him to his new firm. Claimant further alleged that Respondent's actions amounted to fraud and stealing by deceitful action. In his rebuttal to Respondent's Statement of Answer, Claimant further alleged that the issue brought forth by the Claimant was never subjected to arbitration. In an additional submission, Claimant contended that his manager at Respondent was terminated by Respondent. As a result of the above, Claimant alleged that he has suffered damages for which the Respondent should be held liable.

Respondent Prudential Securities, Inc., through its in-house counsel Christopher P. Trapani, Esq., New York, New York, maintained that Claimant's claims were the subject of a previous NASD arbitration between Claimant and Respondent,

and thus are not proper subjects for this arbitration. Respondent further maintained that the client asked Claimant to cancel an order for 500 Americus Trust for Xerox Corp. prior to the execution of the trade, and that the order was not cancelled. Respondent contended that it settled this dispute with the client. Respondent further maintained that in the previous arbitration, Claimant admitted that the client canceled the order prior to the execution of the trade. As a result of the above, Respondent contended that it should not be held liable in this matter.

RELIEF REQUESTED

Claimant Syed Shahid Hussain requested \$2,785.92 in actual damages, plus interest at a rate of 20%, costs, attorney's fees and unspecified punitive damages. Claimant Syed Shahid Hussain also requested that Respondent Prudential Securities, Inc. be cited for fraudulent activity.

Respondent Prudential Securities, Inc. requested that the Claimant's Statement of Claim be dismissed in its entirety, and that costs and attorney's fees be assessed against the Claimant.

AWARD

Pursuant to Section 9 of the National Association of Securities Dealers, Inc. Code of Arbitration Procedure, a single public arbitrator, John H. Lungren, 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 August 12, 1993 and by the Respondent on November 23, 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 Claimant Syed Shahid Hussain against Respondent Prudential Securities, Inc. are dismissed in their entirety.
2. Claimant Syed Shahid Hussain's request for punitive damages is denied.
3. The parties shall bear their respective costs, including attorney's fees.

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4. The National Association of Securities Dealers, Inc. previously waived \$500.00 of the \$575.00 filing fee. The \$75.00 filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimant shall be retained by the NASD, Inc.

AFFIRMATION

I, **JOHN H. LUNGREN, ESQ.**, do hereby affirm upon my oath of 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: October 31, 1994