

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimants

Marlene C. Rutkowski

93-04506

Name of Respondents

Olde Discount Corporation
J. Scott Trello

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on October 29, 1993, Claimant Marlene C. Rutkowski, who appeared Pro Se, alleged that she purchased 200 shares of Georgia Power preferred stock from Respondent J. Scott Trello ("Trello"), a broker at Respondent Olde Discount Corporation ("Olde"). Claimant further alleged that before she purchased the stock in question, she asked Respondent Trello to provide her with the earliest possible call date for this stock. Claimant contended that Respondent Trello told her that the earliest call date was December, 1997. Claimant further contended that her Georgia Power preferred stock was called on August 1, 1993. As a result of the above, Claimant alleged that she has suffered damages for which the Respondents should be held liable.

Respondents Olde Discount Corporation and J. Scott Trello, through Respondent Olde's in-house counsel Julie D. Reed, Detroit, Michigan, maintained that Claimant's purchase of the stock in question was a result of her own personal decision, made in reliance upon the advice of a third party. Respondents further maintained that Claimant's purchase decision was in no way, either directly or indirectly, urged or encouraged by the Respondents. Respondents contended that they did not make any recommendations or give any advice to Claimant, nor were they under any obligation to do so. Respondents alleged that Charles J. Levin ("Levin") accompanied Claimant to an Olde branch office and asked Respondent Trello about the call features of the Georgia Power Class A preferred stock. Respondents further alleged that Respondent Trello found these call features in

the May, 1993 Standard & Poor's Stock Guide, which stated that the call date was June, 1997, and that the stock had a sinking fund provision. Respondents contended that Respondent Trello provided these call features to Claimant and Levin, and that shortly thereafter Claimant made the purchase in question. Respondents further contended that on July 1, 1993, the Georgia Power shares were called by the issuer by Notice of Redemption pursuant to Georgia Power Company's charter by operation of its sinking fund provisions. Respondents denied that Respondent Trello told the Claimant or Levin that the June, 1997 date was the earliest date that the Georgia Power stock could be or would be called. As a result of the above, Respondents contended that they should not be held liable in this matter.

RELIEF REQUESTED

Claimant Marlene C. Rutkowski requested \$686.75 in actual damages.

Respondents Olde Discount Corporation and J. Scott Trello requested that the Claimant's Statement of Claim be dismissed in its entirety, and that costs be assessed against Claimant.

AWARD

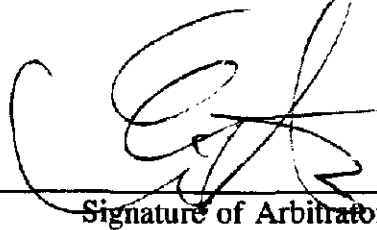
Pursuant to Section 13 of the National Association of Securities Dealers, Inc. Code of Arbitration Procedure, a single public arbitrator, Marvin Elster, Esq., was selected to review and determine the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimant on October 27, 1993, by Respondent Olde Discount Corporation on January 26, 1994, and by Respondent J. Scott Trello on January 27, 1994.

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 Marlene C. Rutkowski against Respondents Olde Discount Corporation and J. Scott Trello are dismissed in their entirety.
2. The parties shall bear their respective costs.
3. The \$30.00 filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimant shall be retained by the NASD, Inc.

AFFIRMATION

I, **MARVIN ELSTER, 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: July 28, 1994