

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimants

Li-Chia and Jiun-Ning Hsu

94-00253

Name of Respondent

Pacific Brokerage Services, Inc.

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on January 24, 1994, Claimants Li-Chia and Jiun-Ning Hsu, who appeared Pro Se, alleged that Respondent Pacific Brokerage Services, Inc. made an unauthorized purchase of 500 shares of Pogo Producing stock on July 1, 1993 and has failed to provide proof that Claimants made the request. Claimants further alleged that they placed no phone call to Respondent on July 1, 1993 at the time Respondent states order was placed, and also alleged the Respondent sold the shares at a lesser price along with 147 shares of National Medical Enterprises stock in order to cover the remaining debit balance. Claimants Li-Chia and Jiun-Ning Hsu contended that they have suffered damages due to the Respondent's negligence and error, and that therefore they should be compensated for their losses.

Respondent Pacific Brokerage Services, Inc., through their in-house counsel James R. Kruger, maintained that Claimants placed an order on July 1, 1993 to buy 500 shares of Pogo Producing over the phone. Respondent further maintained that on July 13, 1993 Claimants were sold out for non-payment of the 500 shares of Pogo Producing and on July 14, 1993 it liquidated 147 shares of National Medical Enterprises to cover the debit balance. Respondent contended that a recording of the phone call does not exist and further, that it has not committed any wrongdoing in this matter and therefore the case should be dismissed.

RELIEF REQUESTED

Claimants Li-Chia and Jiun-Ning Hsu requested \$1,653.75 in actual damages, plus \$50.00 for the filing fee, along with costs.

Respondent Pacific Brokerage Services, Inc. requested that the claims of the Claimants be dismissed.

AWARD

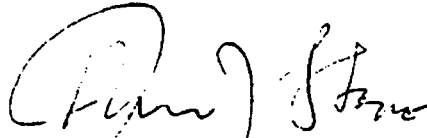
Pursuant to Section 13 of the NASD, Inc. Code of Arbitration Procedure, a single Public Arbitrator, Thomas J. LoSavio, Esq., was selected to review the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimants on January 17, 1994 and by the Respondent on March 14, 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. Respondent Pacific Brokerage Services, Inc. is liable and shall pay to the Claimants Li-Chia and Jiun-Ning Hsu \$1,657.69 in actual damages.
2. Respondent Pacific Brokerage Services, Inc. is liable and shall pay to the Claimants Li-Chia and Jiun-Ning Hsu interest in the amount of \$241.16.
3. The parties shall bear their respective costs.
4. The \$50.00 filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimants Li-Chia and Jiun-Ning Hsu shall be retained by the NASD, Inc. Respondent Pacific Brokerage Services, Inc. is liable and shall pay to the Claimants Li-Chia and Jiun-Ning Hsu \$50.00 as reimbursement of the filing fee.

AFFIRMATION

I, **THOMAS J. LOSAVIO, 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.

A handwritten signature in cursive script, appearing to read "Tom J. Losavio", written over a horizontal line.

Signature of Arbitrator

DATE OF DECISION: January 31, 1995