

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Peter Abashian

95-00820

Name of Respondent

First Albany Corporation

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on February 16, 1995, Claimant Peter Abashian, who appeared Pro Se, alleged that Respondent First Albany Corporation failed to execute a transaction for him. Claimant further alleged that on December 28, 1988, he purchased from Respondent \$50,000.00 10% GNMA #268057 ("GNMA"). Claimant contended that this GNMA was held in his IRA with Respondent. Claimant further contended that on December 4, 1992, he ordered the transfer of his entire IRA from Respondent to Charles Schwab and such transfer has still not taken place. Claimant alleged that from January of 1993, to May 24, 1994, a credit balance of \$24,110.21 built up in his account and Respondent unreasonably delayed transferring this balance to Charles Schwab. As a result of the above, Claimant alleged that he has suffered a loss for which Respondent should be liable.

The Respondent First Albany Corporation, through its in-house counsel, Arthur F. Dicker, Esq. of Albany, New York, maintained that it is impossible for it to deliver Claimant's GNMA position to Charles Schwab and Respondent would be more than happy to deliver this position if it could. Respondent further maintained that it is not possible for it to go into the market and buy more of this specific GNMA to result in a deliverable round-lot position. Respondent contended that Claimant has not lost a single penny of GNMA interest or return of principal while his position continues to be held by Respondent. Respondent further contended that it attempted to rectify this situation early on by offering to buy out Claimant's GNMA position for more than a fair price, but Claimant countered with an unreasonable counter offer. Respondent maintained that the cash balances in Claimant's account have been automatically credited with interest at the rate of 2.25% or higher for the life of the account. As a result of the above, Respondent maintained that it should not be liable for Claimant's loss.

RELIEF REQUESTED

Claimant Peter Abashian, requested \$2,115.00 in actual damages, cost, punitive damages and that Respondent be directed not to charge him an additional termination fee.

Respondent First Albany Corporation, requested that the claims of the Claimant be dismissed and that all costs be assessed against the Claimant.

AWARD

Pursuant to Section 13 of the NASD, Inc. Code of Arbitration Procedure, a single Public Arbitrator, Michael R. Casey, Esq., was selected to review the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimant on February 13, 1995 and by the Respondent on April 25, 1995.

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 First Albany Corporation, is liable and shall pay to the Claimant Peter Abashian, \$1,000.00 in actual damages.
2. The parties shall bear their respective costs.
3. All other relief requests are denied.
4. The \$50.00 filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimant Peter Abashian, shall be retained by the NASD, Inc. Respondent First Albany Corporation, is liable and shall pay to the Claimant Peter Abashian, \$50.00 as reimbursement of the filing fee.

Affirmation

STATE OF

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COUNTY OF

I, Michael R. Cassa, do hereby affirm upon my oath
as arbitrator that I am the individual described in and who executed this instrument,
which is my oath and award.



Signature of Arbitrator

Date of Decision: September 19, 1995