

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Javier G. Conde

95-01883

Name of Respondents

Olde Discount Corporation;
William S. Ryan

REPRESENTATION

For Claimant: Javier G. Conde ("Conde") appeared pro se.

For Respondents: Olde Discount Corporation ("Olde") and William S. Ryan ("Ryan") were represented by Amy Kutt Richards, Esq. of Olde Discount Corporation, Detroit, Michigan.

CASE INFORMATION

Statement of Claim filed: April 17, 1995.

Claimant's Submission Agreement signed on: April 12, 1995.

Statement of Answer filed by Respondents Olde and Ryan on: June 12, 1995.

Respondent Olde's Submission Agreement signed on: May 3, 1995 by Bruce Campbell, Vice President and Corporate Attorney, Olde Discount Corporation.

Respondent Ryan's Submission Agreement signed on: May 24, 1995.

HEARING INFORMATION

Pre-Hearing Conference: None Held.

Hearing Date/Sessions: November 28, 1995.

Hearing Location: Southfield, Michigan.

CASE SUMMARY

Claimant Conde alleged that in December 1993, Respondent Ryan, while employed by or acting as an agent for Respondent Olde, misrepresented the value and quality of a common stock and induced Conde to invest in an unsuitable stock and make a margin loan of unsuitable size. In spite of Conde's explicit instructions, Respondents failed to notify Conde when the value of the stock dropped and sold most of his investment to cover his margin loan in November 1994.

Respondents denied the material allegations of the Statement of Claim, alleging that Conde was aware of the risk attendant to his chosen trading activity, was in complete control of his account and made his own investment conditions. Conde had previously profited in trading the common stock at issue, but Respondents alleged that he became disillusioned when the value began to decline. In addition, Respondents alleged that the stock is part of a class action lawsuit alleging fraud on the part of the officers and directors of the company itself.

RELIEF REQUESTED

Claimant requested entry of an award against Respondents for actual damages of \$15,100.00 and punitive damages of \$25,000.00.

Respondents requested that the statement of claim be dismissed.

OTHER ISSUES CONSIDERED & DECIDED

The parties have agreed that the Award in this matter may be executed in counterpart copies or that a handwritten, signed Award may be entered. In either case, the parties have agreed to receive conformed copies of the Award while the originals remain on file with the NASD.

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 Statement of Claim is dismissed with prejudice and denied in its entirety;
2. The parties shall bear their own costs of arbitration, including any attorneys' fees, except for those specifically enumerated herein; and
3. Any relief not specifically awarded is hereby denied.

FORUM FEES

Pursuant to Section 43(c) of the Code of Arbitration Procedure, the following Forum Fees are assessed: Two (2) hearing sessions x \$400.00 per hearing session = \$800.00.

The National Association of Securities Dealers, Inc. shall retain the \$100.00 non-refundable filing fee and the \$400.00 hearing session deposit previously deposited by the Claimant, Javier G. Conde. In addition, the NASD shall retain the \$400.00 postponement fee previously paid by Olde Discount Corporation as payment of the sum of \$400.00 as forum fees. Furthermore, the NASD shall retain the Section 45 surcharge previously paid by Respondent Olde Discount corporation.

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

Concurring Arbitrators' Signatures

Name

Date

/s/ Barry Goldman, Esq.

December 19, 1995

Barry Goldman, Esq.

Public Arbitrator

Chairperson

/s/ Howard F. Lynn

December 19, 1995

Howard F. Lynn

Public Arbitrator

/s/ John R. Main

December 19, 1995

John R. Main

Industry Arbitrator

For NASD Use Only

Date of Decision: December 22, 1995