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N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration BetweenName of Claimant

Corna Securities, Inc.

95-03156

Name of RespondentE. Jack Davis

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on June 29, 1995, Claimant Corna Securities, Inc. through its representative, Alan M. Blue, Esq., located in Westerville, OH, alleged that Respondent E. Jack Davis, failed to pay money owed for a debit balance in his account. Claimant further alleged that on October 19, 1994, Cable Link, Inc. ("Cable Link"), declared a stock dividend of one common share for each common share held of record at the close of business on October 31, 1994, payable on November 10, 1994. Claimant contended that on October 31, 1994, Respondent entered an order with Claimant to sell 3,000 shares of Cable Link at a limit price of \$10.50 per share and this order was executed by Claimant, on an agency basis, on November 2, 1994. Claimant further contended that Respondent delivered a certificate for 3,000 shares of Cable Link to Claimant but failed to deliver the certificate representing the stock dividend on the 3,000 shares of Cable Link sold by Respondent. Claimant alleged that on December 12, 1994, it mailed a buy-in notification to Respondent and on December 14, 1994, a buy-in occurred and Respondent's account was debited \$14,004.50. Claimant further alleged that on December 28, 1994, Respondent delivered to claimant a certificate for 3,000 shares of Cable Link which were sold out by Claimant on January 4, 1995. Claimant contended that this left a debit balance of \$5,914.00 in Respondent's account which remains unpaid. As a result of the above, Claimant alleged that it has suffered a loss for which Respondent should be held liable.

Respondent E. Jack Davis, through his representative, Philip A. Brown, Esq., of Vorys, Sater, Seymour & Pease, located in Columbus, OH, maintained that on October 18, 1994, he resigned as President & Director of Cable Link. Respondent further maintained that on October 18, 1994, he entered an order with Claimant to sell 3,00 shares of Cable Link at a limit price of \$10.50 per share and was subsequently advised that the order had been executed. Respondent contended that he directed Brenda Thompson, the new President of Cable Link, to deliver a certificate for the shares to Claimant and he believed that Cable

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Link would promptly transfer the 3,000 shares and the associated 3,000 share dividend. Respondent further contended that he did not become aware of any attempt to contact him with respect to any problems in the transfer of the shares until December 12, 1994, on which date he immediately called Claimant and left a message which stated where he could be reached. Respondent maintained that since he was no longer an officer or director of Cable Link, he was not in a position after October 18, 1994, to control the speed with which Cable Link acted in arranging for transfer of shares. Respondent further maintained that Claimant knew that, during all relevant times, he was no longer employed at Cable Link. Respondent contended that he undertook all reasonable actions to facilitate the transaction and accordingly, he should not be held liable.

RELIEF REQUESTED

Claimant Corna Securities, Inc., requested \$5,914.00 in actual damages, plus interest.

Respondent E. Jack Davis, requested that the claims of the Claimant be dismissed.

AWARD

Pursuant to Section 13 of the NASD, Inc. Code of Arbitration Procedure, a single Public Arbitrator, Barbara D. Lucas, Esq., was selected to review the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimant Corna Securities, Inc., on June 22, 1995, and by the Respondent E. Jack Davis, on August 5, 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 E. Jack Davis, is liable and shall pay to the Claimant Corna Securities, Inc., \$5,914.00 in actual damages.
2. Respondent E. Jack Davis, is liable and shall pay to the Claimant Corna Securities, Inc., interest at the rate of 10% per annum from January 4, 1995, to such time as the debit balance of \$5,914.00 has been extinguished.
3. The parties shall bear their respective costs.
4. The \$575.00 filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimant shall be retained by the NASD, Inc. Respondent E. Jack Davis, is liable and shall pay to the Claimant Corna Securities, Inc., \$575.00 as reimbursement of the filing fee.

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AFFIRMATION

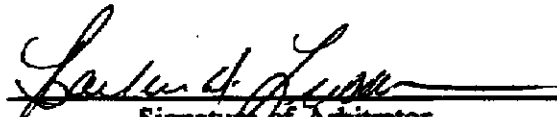
STATE OF

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SS:

COUNTY OF

I, BARRARA D. LUCAS, 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.


Signature of Arbitrator

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Securities Dealers, Inc.

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DATE OF DECISION: December 22, 1995