

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

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In the Matter of the Arbitration Between

Name of Claimant

Prudential Securities, Inc.

95-05303

Name of Respondent

Azar Sangochian

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**CASE SUMMARY**

In a claim filed with the National Association of Securities Dealers, Inc. on November 9, 1995, Claimant Prudential Securities, Inc. ("PSI"), through its representatives and in-house counsel, Steven P. Gomberg, Esq. and Michael A. Kraft, Esq., alleged that Respondent Azar Sangochian ("Respondent") left a debit balance in his account at PSI. PSI further alleged that on February 21, 1995, Respondent purchased 90 Calls Telefonos de Mexico for a total cost of \$5,272.00, and that due to previous credits and transactions, the account was left with a debit balance of \$5,194.16. PSI contended that it was forced to liquidate Respondent's remaining option positions for a total of \$1,689.29 due to nonpayment of the February 21, 1995 transactions. PSI further contended that Respondent made a deposit of \$500.00, leaving the account with a debit of \$3,004.87. PSI alleged that it has sent demands to Respondent to repay his debt to no avail and that it has suffered a loss for which the Respondent should be held liable.

Respondent Azar Sangochian failed to file an Answer to the Statement of Claim.

**RELIEF REQUESTED**

Claimant Prudential Securities, Inc., requested \$3,004.87 in actual damages, plus interest at 8.75% per annum from February 21, 1995 to the date of payment, attorneys' fees and costs.

Respondent Azar Sangochian failed to file an Answer to the Statement of Claim.

**OTHER ISSUES CONSIDERED & DECIDED**

Respondent Azar Sangochian was served the Statement of Claim, an overdue answer notice, and notification of the arbitrator's identity by regular mail and given an opportunity to respond, which he failed to do.

Pursuant to the By-laws of the NASD, the Arbitrator determined that Respondent Azar Sangochian, had notice of the claim, and was required to submit to this arbitration proceeding; and is, therefore, bound by the arbitrator's ruling and determination.

**AWARD**


Pursuant to Section 13 of the NASD, Inc. Code of Arbitration Procedure, a single Public Arbitrator, Robert J. Ruben, Esq., was selected to review the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimant Prudential Securities, Inc., on November 2, 1995, and not by the Respondent Azar Sangochian, as required by Sections 12 and 13 of the NASD, Inc. Code of Arbitration Procedure.

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 Azar Sangochian is liable and shall pay to the Claimant Prudential Securities, Inc., \$3,004.87 in actual damages.
2. Respondent Azar Sangochian is liable and shall pay to the Claimant Prudential Securities, Inc., interest at the rate of 8.75% per annum from February 21, 1995 to the date of payment of the award.
3. Respondent Azar Sangochian is liable and shall pay to the Claimant Prudential Securities, Inc., \$345.00 as reimbursement of attorneys' fees.
4. The \$575.00 filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimant Prudential Securities, Inc., shall be retained by the NASD, Inc. Respondent Azar Sangochian is liable and shall pay to the Claimant Prudential Securities, Inc., \$575.00 as reimbursement of the filing fee.

**AFFIRMATION**

I, **ROBERT J. RUBEN, 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.



**ROBERT J. RUBEN, ESQ.**

DATE OF DECISION: May 16, 1996