

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Dennis Lockwood

96-00377

Name of Respondents

TAJ Global Equities, Inc.
Daniel Glass
Paul N. Ignat

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on January 25, 1996, Claimant Dennis Lockwood ("Claimant"), who appeared Pro Se, alleged that Respondents TAJ Global Equities, Inc. ("TAJ"), Daniel Glass ("Glass"), and Paul N. Ignat ("Ignat") made an unauthorized trade of 500 shares of American Mobil Satellite ("SKYC"). Claimant further alleged that November 6, 1995, Claimant discussed his account with Glass and Ignat and was assured that his position in SKYC was a good investment. Claimant contended that on November 10, 1995, he was informed by Ignat that 500 of his 1,500 shares in SKYC had been sold. Claimant further contended that when he expressed his disapproval of this unauthorized transaction, Ignat assured him that his account would be corrected and credited immediately. Claimant asserted that he was unable to contact Glass or Ignat to confirm that his account had been corrected and that the Respondents were unresponsive to his attempts to settle the dispute. Claimant further asserted that due to the wrongdoing of the Respondents, he suffered damages for which the Respondents should be held liable.

Respondents TAJ Global Equities, Daniel Glass, and Paul N. Ignat, through Wilbur Jurdine of the firm, maintained in their answer that the 500 shares of SKYC were sold to meet margin requirements. Respondents further maintained that in October of 1995, Claimant sold Trident Micro (a marginable security) and purchased Sobik Subs (a non-marginable security) in his margin account. Respondents alleged that Claimant failed to send additional funds or deposit other marginable securities and as a result the SKYC shares were liquidated to meet the margin call. Respondents further alleged that Claimant holds a Series 6 license, is a member of the NASD, and on several previous occasions had violated securities rules and regulations. Respondents maintained that they had committed no wrongdoing and requested that the claims against them be dismissed.

In a Reply to the Respondents' Answer, Claimant alleged that Respondents never informed him that the stocks had been sold due to margin deficiency and at no time was he made aware of the call. Claimant Lockwood contended that on several occasions stocks were purchased without his authorization, which he sold when Respondents failed to pressure him to keep the stocks. The Claimant asserted that due to a flagrant disregard for his instructions and violations of securities rules, he was forced to do business elsewhere.

RELIEF REQUESTED

Claimant Dennis Lockwood requested \$5,027.00 in actual damages.

Respondents TAJ Global Equities, Inc., Daniel Glass, and Paul N. Ignat 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, Kent Lawrence, Esq., was selected to review the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimant Kent Lawrence on January 22, 1996, and by Respondents TAJ Global Equities, Inc., Daniel Glass, and Paul N. Ignat on March 25, 1996.

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 TAJ Global Equities, Inc. is liable and shall pay to Claimant Dennis Lockwood \$250.00 in actual damages.
2. The claims of Claimant Dennis Lockwood against Respondents Daniel Glass and Paul N. Ignat are dismissed in their entirety.
3. The parties shall bear their respective costs.
4. The \$150.00 filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimant Dennis Lockwood shall be retained by the NASD, Inc. Respondent TAJ Global Securities, Inc. is liable and shall pay to the Claimant Dennis Lockwood \$150.00 as reimbursement of the filing fee.

REPORT OF ARBITRATOR

The Respondent firm, TAJ Global Equities, Inc. was liable for failure to advise of the margin call. Damages were vague, and under the circumstances, \$250.00 were appropriate.

AFFIRMATION

STATE OF

ILLINOIS

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SS:

COUNTY OF

COOK.

I, Kent Lawrence, 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 that reads "Kent Lawrence". The signature is written in dark ink and is positioned above a horizontal line.

Signature of Arbitrator

DATE OF DECISION:

July 12, 1996