

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Konstantinos Haralambidis

NASD Case No.
96-00653

Name of Respondents

National Discount Brokers

REPRESENTATION

Claimant Konstantinos Haralambidis ("Haralambidis") appeared pro se.

For Respondent National Discount Brokers ("National") appeared Adam Rezok, Esq., staff attorney with National.

CASE INFORMATION

Statement of Claim filed on February 9, 1996.

Claimant's Submission Agreement signed on December 26, 1995.

Statement of Answer filed by Respondent on April 30, 1996.

Respondent's Submission Agreement signed on April 11, 1996.

HEARING INFORMATION

Hearing Date/Session: September 6, 1996 - 1 Session

Hearing Location: City Midday Club, 140 Broadway, New York, NY

CASE SUMMARY

Claimant alleged that on August 22, 1995 he placed an order to sell 200 shares of Arakis Energy Corp. ("Arakis") through National at a limit price of \$13.00. Claimant alleges that the price of Arakis, which traded on NASDAQ, at the time he placed the sell order was 13 1/2. Claimant stated that National did not sell as instructed and further stated that trading on stock in Arakis was subsequently suspended. When trading re-opened, claimant alleged that the stock was trading at \$5.00. Claimant alleged that he lost \$8.00 per share resulting in a loss of \$1,600 for National's failure to sell the 200 shares of Arakis as instructed.

Respondents denied the assertions in the Statement of Claim and asserted that claimant was incorrect in his assumption that he was due an execution of his limit sell order. Respondent alleged that, pursuant to the Market Maker Price Movement Report of Arakis for August 22, 1995, the inside bid for Arakis at the exact time claimant submitted his sell order reached a high of \$13.00. Respondents claimed that

several seconds later, the inside bid for Arakis was \$12 7/8 and never again reached \$13.00 for the remainder of the day.

Respondent alleged that after trading on Arakis' stock was suspended by NASDAQ on August 22, 1996, it was permitted to resume trading on September 22, 1995. Respondent alleged that trading in Arakis shares resumed at an opening price of \$4 7/8. Respondent claimed that it handled claimant's order promptly and in accordance with his instructions. Since no market maker was willing to purchase shares of Arakis at \$13.00 on August 22, 1995, Respondent alleged that National could not adhere to Claimant's instructions. Respondent acknowledged that, at the time Claimant placed his order on August 22, 1995, the inside asking price for Arakis was \$13 1/8. Respondent claimed that stock cannot be sold on the asking price and alleged that claimant was confused and incorrectly assumed that he was able to sell his 200 shares of Arakis at the asking price.

Respondent further alleged that Claimant incorrectly stated the value of his alleged damages. Respondent claimed that Claimant did not provide documentation evidencing his allegation that he later sold his shares of Arakis at \$5.00 per share. Respondent alleged that Claimant never sold his shares of Arakis through National but, rather, transferred his position in Arakis from National on October 13, 1995.

RELIEF REQUESTED

Claimant requested damages in the amount of \$1,600.00.

Respondents requested that all claims be dismissed and that it be awarded the costs incurred in defending the arbitration including NASD fees and attorney's fees.

AWARD

After considering the pleadings, the testimony and the evidence presented at the hearing, the undersigned arbitrator has decided in full and final resolution of the issues submitted for determination as follows:

1. Claimant is to receive compensatory damages of \$162.50. Said award equals the difference between Claimant's purchase price of \$5.00 and the sale price of \$4 3/16 for the 200 shares of Arakis.
2. Evidence and testimony demonstrated no improper handling of the limit order by Respondent. However, Respondent must bear some responsibility for incorrect or incomplete information on the prevailing bid and ask prices provided to claimant at the time the order was placed.
3. Forum fees are to be split equally between the two parties.

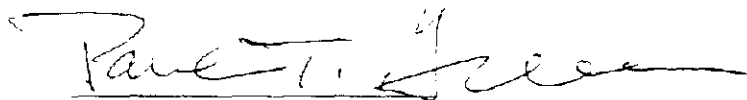
FORUM FEES

Pursuant to Section 43c of the Code of Arbitration Procedure, the arbitrator has determined that the NASD shall retain the \$25.00 non-refundable filing fee previously deposited by Claimant and has assessed the following forum fees:

Hearing Session Deposit (1 session @ \$25.00):	\$25.00
Total Fees:	\$25.00

Claimant Konstantinos Haralambidis be and hereby is liable for the sum of \$12.50 representing half the amount of the forum fees. Respondent National Discount Brokers be and hereby is liable for the sum of \$12.50 which represents half the amount of the forum fees. Therefore, Respondent shall pay Claimant \$12.50 as reimbursement of part of the forum fee previously paid to the NASD.

Arbitrator's Signature
Name


Paul T. Green

I, Paul T. Green, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules that I am the individual described herein and who executed this instrument which is my award.

NASD Date of Decision: October 7, 1996