

AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS REGULATION, INC.

In the Matter of the Arbitration Between

Name of Claimant:

Securities Research, Inc.

96-04438

Names of Respondents

Michael and Lorraine O'Connell

REPRESENTATION

For Claimant Securities Research, Inc. ("SRI"): Mark Aiken of Securities Research, Inc., Tamarac, Florida.

Respondents Michael and Lorraine O'Connell appeared pro se.

CASE INFORMATION

Statement of Claim filed: September 24, 1996.

Claimant's Submission Agreement/Corporate Acknowledgment signed: October 30, 1996 by Mark Aiken on behalf of SRI.

Respondents did not file a Statement of Answer nor did they sign Submission Agreements.

HEARING INFORMATION

On March 25, 1997 a telephonic pre-hearing conference was conducted with the sole arbitrator.

On June 11, 1997 a hearing lasting one (1) session was conducted in Fort Lauderdale, Florida.

CASE SUMMARY

Claimant alleged that on April 26, 1996 Respondents purchased 3000 shares of Borland International, Inc. ("Borland") at \$17.875 per share but refused to pay for the purchase. Claimant further alleged that as a result of the non-payment by Respondents, Claimant was forced to liquidate the Respondents' position and sold the 3000 shares of Borland at the price of \$15.875 per share resulting in losses to Claimant.

Respondents did not file a Statement of Answer.

RELIEF REQUESTED

Claimant requested damages in the amount of \$6,310.85 including pre-judgment interest plus the cost of the arbitration of \$1,000.00.

OTHER ISSUES CONSIDERED & DECIDED

Pursuant to Rule 10101 of the Code of Arbitration Procedure ("Code"), the arbitrator found subject matter jurisdiction over this entire controversy.

Pursuant to Rule 10301 the arbitrator found personal jurisdiction over the Respondents pursuant to Rule 10301.

In view of the above, the arbitrator found that the Respondents were required to file with NASD Regulation, Inc. a Statement of Answer and properly executed Submission Agreement pursuant to Rule 10314(b) of the Code. In this regard the arbitrator found that the Statement of Claim 14(b) of the was properly served upon the Respondents pursuant to Rule 10314(a) of the Code. was properly served upon

In addition, in accordance with Rules 10310, 10315 and 10318 of the Code, the arbitrator found, in accordance that NASD Regulation, Inc. provided Respondents with "due notice" of the hearing conducted in this matter by regular and certified mail. The arbitrator, therefore, determined to proceed with the hearing without the Respondents present.

AWARD

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

1. Respondents Michael and Lorraine O'Connell are found liable, jointly and severally, and shall pay to the Claimant the sum of \$6,310.85, inclusive of pre-judgment interest.
2. Respondents Michael and Lorraine O'Connell are found liable, jointly and severally, and shall reimburse to the Claimant the sum of \$1,000.00 which represents the claim filing fee of \$500.00, the hearing session deposit of \$300.00 and the member surcharge of \$200.00 previously paid by the Claimant to NASD Regulation, Inc.

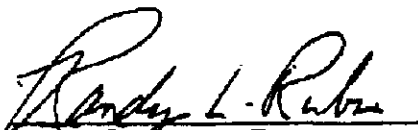
FORUM FEES

Pursuant to Rule 10332(c) of the Code the arbitrator has assessed forum fees in the amount of \$600.00 (one (1) pre-hearing telephonic conference x \$300.00 + one (1) hearing session x \$300.00).

1. Respondents Michael and Lorraine O'Connell are jointly and severally assessed forum fees in the amount of \$600.00 for which NASD Regulation, Inc. shall retain the \$300.00 previously deposited by the Claimant in partial satisfaction thereof leaving a balance due to NASD Regulation, Inc. by Respondents of \$300.00.
2. NASD Regulation, Inc. shall retain the claim filing fee of \$500.00 paid by the Claimant.
3. NASD Regulation, Inc. shall retain the member surcharge of \$200.00 paid by the Claimant.

Fees are payable to the National Association of Securities Dealers Regulation, Inc. are payable to the NASD. The arbitrator found that the Respondents were required to file with NASD a Statement of Claim, a Statement of Answer and properly executed Submission Agreement, and a copy of the Code. In this case, the Respondents failed to do so. The arbitrator found that the Respondents were in violation of Rule 10314(a) of the Code.

Arbitrator's Signature


Randy L. Rubin, Esq.
(Sole Public Arbitrator)

Date of Decision: July 22, 1997