



In the Matter of the Arbitration Between

Claimant,

V.

J.B. HANAUER & COMPANY,

Respondent.

AWARD
MS 89-72

The UNDERSIGNED, pursuant to MSRB Rule G-35, Section 31, hereby state as follows:

CASE SUMMARY

Claimant alleged that Respondent J.B. Hanauer & Company failed to represent or to disclose on the confirmation that certain issues of municipal bonds sold to him by Respondent, some of which have been called, are subject to extraordinary or other call features. Claimant also alleged that the bonds would have a higher market value if they were not subject to such call features.

Respondent argued that Claimant's claims are barred by the applicable statutes of limitation and that Claimant is not entitled to relief for those bonds that have not been called. It also argued that Respondent's confirmations and the appropriate prospectuses fully disclosed the call features. Respondent also alleged that, since Claimant's bonds are held by another securities firm, it is impossible to determine if Claimant has suffered his alleged loss.

RELIEF REQUESTED

Claimant requested either replacement bonds for those he purchased that have the quality, maturity, date and yield that Claimant believed he was purchasing or that a formula be developed to make him whole for his alleged loss and any potential loss. Respondent argued that Claimant failed to state any basis for any of the claims for relief that he asserted.

AWARD


On January 23, 1990, in Miami, Florida, the undersigned arbitrators heard the controversy between the parties set forth in submissions to the arbitrators signed by Claimant on August 29, 1989 (and filed with the MSRB on August 31, 1989) and by Respondent on September 29, 1989. The arbitrators, having considered the pleadings, the testimony and the evidence presented at the hearing, have determined in full and final resolution of the issues submitted for determination that:

Claimant's claim for relief and Statement of Claim is denied; and

The MSRB shall retain Claimant's \$100 arbitration deposit as a forum fee.


Joel S. Arogeti


Douglas Delaney, Jr.


Sam A. Giunta

RECEIVED


FEB 6 1990

MSRB

STATE OF Georgia
COUNTY OF Fulton

SS.:

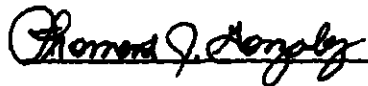
On this 26th day of January, 1990, before me personally appeared _____ to me known and known to me to be the individual described in and who executed the foregoing instrument and he duly acknowledged to me that he executed the same.


Notary Public, DeKalb County, Georgia
My Commission Expires August 25, 1992

STATE OF FLORIDA
COUNTY OF HILLSBOROUGH

SS.:

On this 29th day of January, 1990, before me personally appeared _____ to me known and known to me to be the individual described in and who executed the foregoing instrument and he duly acknowledged to me that he executed the same.


Notary Public
State of Florida at Large
My Commission Expires
May 23, 1993

STATE OF
COUNTY OF

SS.:

On this 24th day of FEBRUARY, 1990, before me personally appeared _____ to me known and known to me to be the individual described in and who executed the foregoing instrument and he duly acknowledged to me that he executed the same.

