

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between

OSCAR A. & MARION B. CARLSON

Claimant(s)

v.

HEINER & STOCK, INC. AND
GEORGE J. WASSON

Respondent(s)

v.

JOAN KAY STOCK

Third Party Respondent

CASE NO. 87-01782
AWARD

CASE SUMMARY

Oscar A. and Marion B. Carlson ("Claimants") alleged that George T. Wasson ("Wasson") registered representative of Heiner & Stock, Inc. ("Heiner") (Wasson and Heiner are collectively referred as "Respondents"), in a series of trades from July through October of 1986, made unsuitable transactions for the Carlsons given their net worth and investment goals', churned their account, and made unauthorized transactions.

In response, Heiner denied each and every claim of the Claimants and further alleged that any liability of Heiner which may be proven is attributable to the acts of Wasson and Joan Stock ("Stock"). Heiner therefore alleged a cross claim against Wasson and a third party claim against Stock. The third party claim against Stock was dismissed without prejudice by stipulation.

Wasson denied the claims of the claimant and the cross claim of Heiner. Stock denied the third party claim alleged by Heiner & Stock and counterclaimed that the third party claim was frivolous and was brought for the purpose of harassment. Heiner derived that the third party claim was for harassment purposes.

RELIEF REQUESTED

Claimants requested damages of 30,000 plus interest and expenses. Respondents and the third party defendant stock requested that they be awarded their attorneys fees and costs. In the alternative, to the extent Heiner is required to compensate the claimants for any losses, it requested recovery from Wasson for the full amount of those payments.

AWARD

On September 21, 1987, the NASD received the Claimants Statement of Claim. On October 4, 1989, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed on September 18, 1987 by the Claimants, on January 21, 1988 by Randall R. Heiner on behalf of Heiner & Stock, Inc. on and April 21, 1988 by Joan K. Stock.

The arbitration panel, having considered the pleadings, the testimony, and the evidence presented at the hearing, has decided in full and final resolution of the issues submitted for determination as follows:

1. The panel award damages of Thirteen Thousand Three Hundred Ninety Five Dollars and Thirty-Six cents (\$13,395.36) which included prejudgment interest to the Claimants' Oscar A. and Marion B. Carlson jointly and severally against Respondents Heiner and Stock, Inc. and George J. Wasson;

2. Heiner and Stock's cross claim for contribution against George J. Wasson is granted to the extent that the panel finds that George J. Wasson is 70% liable and Heiner 30% liable.

3. The parties shall bear their own attorneys' fees and costs.

4. Pursuant to Section 43(b) of the Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. shall retain as forum fees, the \$400.00 filing fee previously deposited with the NASD by the Claimant.

By the Panel

Dated: 10/4/89

/S/J. David Jackson, Esq.
Presiding Chair

Dated: 10/4/89

/S/A. James Dickison, Esq.

Dated: 10/4/89

/S/J. Daniel Baasen

Date Served: 10-9-89