

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of Arbitration Between

DIANNE E. DARDEN f/k/a DIANNE E. GILBERT
d/b/a A.T.F. ENTERPRISE

Claimants

v.

R.G. DICKINSON & COMPANY

Respondent

NASD NO. 88-01037

CASE SUMMARY

In a claim filed on or about April 25, 1988, the Claimant Dianne E. Darden ("Darden") alleged that in March 1986, Steven Solseth ("Solseth") induced her to invest \$20,000.00 in a Treasury Bill through R.G. Dickinson & Co. ("RGD"). She stated that Solseth later informed her that he had purchased Transco Utility Stock instead of the Treasury Bill. In addition Darden alleged that options transactions were made in the account but that RGD would not provide her information about the account because the account documentation did not disclose her interest.

The Claimant stated that by the time she had the account transferred into her name, her money was lost and a debit balance remained. She alleged that the depletion of her account also caused her to lose a portion of a mortgage deposit.

RGD stated that the account was opened as a partnership account and that Solseth signed the customer agreement on behalf of the partnership ATF Enterprises. They stated that Solseth had actual and/or apparent authority to trade on behalf of ATF Enterprises and he entered unsolicited options orders in the account. RGD alleged that after the account was assigned to Darden, she ignored their advice and allowed all open option positions to expire worthless. In their counterclaim, RGD asked for recovery of the debit balance in the account.

RGD also asserted a Third Party Claim against Solseth. They alleged that Solseth acknowledged the liability of the ATF account as his own prior to the transfer to Darden and has thereafter refused to repay the debit balance.

Not Served. 12-19-87

RELIEF REQUESTED

The Claimant sought the recovery of her \$20,000 investment her \$112.00 mortgage deposit, the lawsuit filing fee, and the \$400.00 arbitration file.

RGD in its Counterclaim asked for \$8,081.39 plus interest;

In the Third Party Claim, RGD sought from Solseth \$8,081.39 plus interest;

PROCEDURAL SUMMARY

This case was originally filed with the U.S. District Court for the Western District of Texas. Upon motion of the Respondent, the Court compelled Arbitration of the dispute. Steven Solseth did not file a submission agreement or answer. He did attend the hearing and testified, but had no response to the Third Party Claim. We find that pursuant to the account agreement and the Court's Order, Steven Solseth was required to arbitrate this matter and is therefore bound by this award.

AWARD

On August 25, 1989, in Dallas, Texas during a hearing lasting two sessions, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed on April 21, 1988 by the Claimant and on June 9, 1988 by Robert Cram on behalf of the Respondent RGD, Inc.

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. All claims of the Claimant against RGD, Inc. are hereby dismissed in all respects;
2. All Counterclaims of RGD, Inc. against Dianne Darden are hereby dismissed in all respects;
3. The Third Party Respondent Steven Solseth is hereby liable for and shall pay to the Third Party Claimant RGD, Inc. the sum of Six Thousand Two Hundred Ninety-seven Dollars and Twenty-four Cents (\$6,297.24);
4. Each party shall bear its own costs and expenses; and

5. Pursuant to Section 43(b) of the Code of Arbitration Procedure, the \$400.00 previously deposited with the NASD by the Claimant shall be refunded and \$800.00 shall be charged to the Respondent, RGD. RGD shall pay \$400.00 directly to the Claimant and \$400.00 to the NASD.

BY THE PANEL

Dated: _____

S/S _____
Arch B. Gilbert, Esq.
Presiding Chair

Dated: 11/29/89

S/S *Jay E. Sandelin*
Mr. Jay E. Sandelin

Dated: _____

S/S _____
Mr. David Glatstein

5. Pursuant to Section 43(b) of the Code of Arbitration Procedure, the \$400.00 previously deposited with the NASD by the Claimant shall be refunded and \$800.00 shall be charged to the Respondent, RGD. RGD shall pay \$400.00 directly to the Claimant and \$400.00 to the NASD.

BY THE PANEL

Dated: _____

S/S _____
Arch B. Gilbert, Esq.
Presiding Chair

Dated: _____

S/S _____
Mr. Jay E. Sandelin

Dated: 11/16/89

S/S _____
Mr. David Glatstein

5. Pursuant to Section 43(b) of the Code of Arbitration Procedure, the \$400.00 previously deposited with the NASD by the Claimant shall be refunded and \$800.00 shall be charged to the Respondent, RGD. RGD shall pay \$400.00 directly to the Claimant and \$400.00 to the NASD.

BY THE PANEL

Dated: _____

S/S

Arch B. Gilbert, Esq.
Presiding Chair

Dated: _____

S/S

Mr. Jay E. Sandelin

Dated: _____

S/S

Mr. David Glatstein