

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

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| In the Matter of the Arbitration Between |) |
| Eugene F. Salton and |) |
| Virginia M. Salton, |) |
| |) |
| Claimants |) |
| |) |
| vs. |) |
| |) |
| Wheat First Securities, Inc., |) |
| Brantley Parker and |) |
| Sheldon Rueben, |) |
| |) |
| Respondents |) |
| ----- | |

Case #88-03282

Award

CASE SUMMARY

Claimants allege that Respondents violated Rule 405 of the Securities Exchange Commission and Article III, Section 2 of the Rules of Fair Practice. Claimants further allege that Respondents made unsuitable recommendations and unauthorized trades, failed to disclose the risk of trading on margin and improperly handled their account.

Respondents deny each and every allegation of wrongdoing and allege that each transaction was authorized, ratified and confirmed by the Claimants and that the transactions were made in accordance with the Claimants' expressed investment objectives.

RELIEF REQUESTED

Claimants request that the panel award them compensatory damages in the amount of \$95,524.72 and punitive damages in the amount of \$285,000.00. Respondents request that the panel dismiss the claim and award them fees, costs and expenses incurred in connection with the defense of this proceeding.

AWARD

On August 22, 1989, September 18, 19 and 20, 1989, the undersigned arbitrators heard the controversy between the parties as set forth in a submission to arbitration signed by Claimants, Eugene F. Salton and Virginia M. Salton, on August 8, 1988 and by Respondents, Wheat First Securities, Inc., John Brantley Parker and Sheldon Rueben, on January 25, 1989. The hearing was

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conducted in Richmond, Virginia and consisted of seven sessions. The arbitration panel, having considered the pleadings, the testimony, and the evidence presented at the hearing, has determined in full and final resolution of the issues submitted for determination as follows:

1. Respondents, Wheat First Securities, Inc., Brantley Parker and Sheldon Rueben, are hereby jointly and severally liable to the Claimants in the amount of Forty-Nine Thousand, Six Hundred and Fifty Dollars and Sixteen Cents (\$49,650.16).
2. The claim for punitive damages is denied.
3. The parties shall each bear their respective costs including attorneys' fees.
4. Pursuant to Section 43 of the Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. shall retain the \$750.00 filing fee previously deposited by the Claimants and Claimants and Respondent, Wheat First Securities, Inc., are assessed \$2,250.00 each in forum costs which shall be made payable to the NASD.

CONCURRING ARBITRATORS

Marshall Passman

Dated: December 28, 1989