

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between

Dr. Christopher Lyon, Claimant

vs.

Russell Diehl, Respondent

AWARD

CASE NO. 88-03849

SUMMARY OF ISSUES

Claimant alleges that he incurred losses in his account with Respondent due to Respondent's unauthorized and excessive trading of options. Claimant also alleges that his intent was to preserve capital and at no time did he indicate to respondent that he had changed his investment objective.

Respondent alleges that the Claimant was fully aware of the nature of the activity in his account and that all the trading was authorized by the Claimant.

DAMAGES AND RELIEF REQUESTED

Claimant seeks to recover \$61,000.00 in damages plus costs and interest.

Respondent asks for dismissal of claim in its entirety.

DAMAGES AND RELIEF AWARDED

On August 3, 1989 in Los Angeles, California, the undersigned arbitrators heard in 2 sessions the controversy between the parties as set forth in submissions to arbitration signed by Claimant Dr. Christopher Lyon on December 13, 1988 and by Respondent Russell Diehl on February 13, 1989. 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:

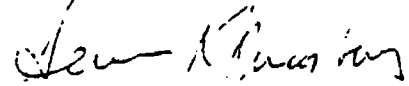
1. Each and every claim of Claimant Dr. Christopher Lyon is dismissed.
2. Russell Diehl is assessed and shall pay to the NASD the sum of One Thousand Dollars (\$1,000.00) in forum fees per Section 43(c) of the Code of Arbitration Procedure.
3. The parties shall each bear their respective costs including attorneys' fees.
4. Pursuant to Section 43 of the National Association of Securities Dealers, Inc. (NASD) Code of Arbitration Procedure, the NASD shall retain the \$500.00 filing fee previously deposited by the Claimant.

OTHER ISSUES

None applicable.

ARBITRATORS CONCURRING

DATE SERVED: 08/23/89

  
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Herman Friedberg

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Michael S. Carona

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Benjamin F. Sanford