

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant(s)

Donald C. Hepperman

89-01665

Name of Respondent(s)

Blinder Robinson & Co., Inc. and
Thomas Christopherson

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. ("NASD") on or about June 21, 1989, Claimant Donald C. Hepperman ("Hepperman") alleged that Respondent's Blinder Robinson & Co., Inc. ("Blinder Robinson") and Thomas Christopherson ("Christopherson") executed an unauthorized purchase for 50,000 shares of Boulder Brewing. Hepperman alleged that when he made this purchase, Christopherson misrepresented that the price was higher than the actual purchase price and Hepperman therefore agreed to purchase the stock. Hepperman also alleged that Christopherson executed a sale of Touchstone Software Corporation stock resulting in the sale of 200,000 shares instead of 100,000 shares. Hepperman further alleged that Christopherson misrepresented that the shares would be credited back to his account and alleged that this never happened.

In a statement of answer filed with the NASD on or about August 15, 1989, Blinder Robinson alleged that the claim should be denied. Blinder Robinson alleged that it was unaware of any misrepresentation by its broker Christopherson. Blinder also asserted certain affirmative defenses including, but not limited to, estoppel, waiver and ratification. Christopherson did not answer the claim.

RELIEF REQUESTED

Hepperman requested \$2260.00 for the unauthorized purchase of Boulder Brewing Stock, \$2010.00 for the improper sale of Touchstone Software Stock, or in the alternative a credit of 100,000 shares of Touchstone to his account, treble damages, attorney's fees and costs. Blinder Robinson requested dismissal of the claims. Christopherson did not answer.

PROCEDURAL MATTERS

Blinder Robinson filed for bankruptcy. This matter is therefore stayed against Blinder Robinson pursuant to the applicable provisions of the bankruptcy law.

AWARD

As the arbitrator appointed to resolve the instant matter, I have considered the controversy between the parties, without a hearing, as set forth in submissions to arbitration signed on May 30, 1989 by Claimant Donald C. Hepperman and on August 15, 1989 by M. Dean Arena on behalf of Respondent Blinder Robinson & Company, Inc.

Respondent Thomas Christopherson did not answer the claim or file with the NASD a properly executed submission to arbitration but is required to submit to arbitration pursuant to Section 12 of the NASD Code of Arbitration Procedure. I find, therefore, that Christopherson is bound by the determination of the arbitrator on all issues submitted.

As the arbitrator and having considered the pleadings in this matter without a hearing, I have decided in full and final resolution of the issues submitted for determination as follows:

1. The claim against Blinder Robinson is stayed and accordingly I did not consider Blinder Robinson's cross claim.
2. Christopherson is liable for and shall pay to Hepperman the sum of Four Thousand Two Hundred Seventy Dollars and No Cents (\$4,270.00);
3. Christopherson is also liable for and shall pay to Hepperman Two Thousand Dollars and No Cents (\$2,000.00) as RICO damages under ARS, Section 13-2301-ET SEQ.
4. No award of attorney's fees is given and this claim is denied since no evidence of attorney's was provided; and
5. Pursuant to Section 43(c) of the Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. shall retain the hearing session deposit in the amount of \$400.00 previously deposited with the NASD by the Claimant Hepperman. Christopherson shall directly reimburse Hepperman for this filing fee.

Dated: May 9, 1991


Gregory W. Dawson, Esq.
Presiding Arbitrator

Date Served: _____