

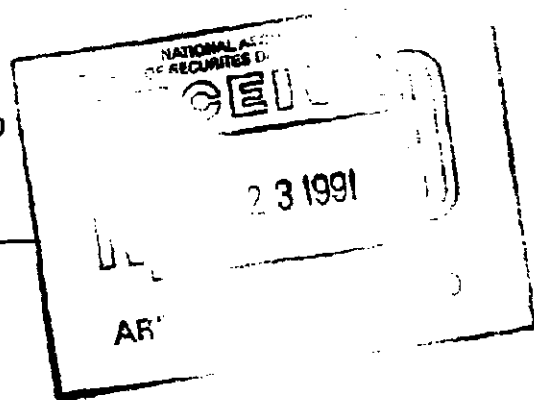
N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Muriel A. Olsen



90-00678

Name of Respondents

Martin Lonski  
Dave Hutchison  
Hutchison Financial Corporation

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. ("NASD") on or about March 6, 1990, Muriel A. Olsen ("Claimant") alleged that she was not a suitable investor in the stock of Hutchison Financial Group, Inc. Claimant also alleged that she was told by Respondent Dave Hutchison and Respondent Martin Lonski that the investment was "safe".

In his Answer filed with the NASD on or about April 5, 1990, Dave Hutchison denied that he was responsible for the preparation of the offering memorandum for Hutchison Financial Group, Inc. or the suitability requirements for the offering. Respondent Dave Hutchison also denied the allegations regarding statements of safety of the investment.

In its Answer filed with the NASD on or about April 17, 1990, Hutchison Financial Corporation stated that the events in question occurred prior to the present ownership and management and denied any specific knowledge of those events.

In his Answer filed with the NASD on or about April 16, 1990, Martin Lonski stated that Dave Hutchison spoke to the Claimant regarding the investment in Hutchison Financial Group, Inc. and denied any participation in those discussions. Respondent Lonski also filed a Motion to Dismiss based on the Statute of Limitations.

RELIEF REQUESTED

Claimant requested an award in the amount of \$10,500.00 plus interest.

Respondent Dave Hutchison requested that the Statement of Claim be dismissed.

Respondent Hutchison Financial Corporation requested that the claims against it be dismissed.

Respondent Martin Lonski requested that the Statement of Claim be dismissed.

#### OTHER ISSUES

After considering the briefs submitted by the parties, the arbitration panel denied Respondents' Motion to Dismiss based upon the Statute of Limitations.

At the commencement of the hearing of this matter, Claimant requested leave to amend the pleadings. After considering the oral arguments of the parties, the panel denied the motion to amend. In making its denial, the panel did not deny the claims which were sought to be added through the amendment to the claim nor did the panel preclude the claimant from asserting the additional claims in the future if the claimant deems it appropriate. The panel in making its determination is not precluding the Respondents from asserting any defenses to the claims.

#### PROCEDURAL MATTERS

On Tuesday, January 29, 1991 in Minneapolis, Minnesota during a hearing lasting a total of two (2) sessions, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed on February 14, 1990 by Claimant Muriel Olsen; on April 12, 1990 by Patricia J. Prasad on behalf of Respondent Hutchison Financial Corporation; on April 2, 1990 by Respondent Dave Hutchison; and on April 10, 1990 by Respondent Martin Lonski.

The parties have agreed that the Award in this matter may be executed in counterpart copies or that a handwritten, signed Award may be entered. In either case, the parties have agreed to receive conformed copies of the award while the original(s) remain on file with the NASD.

#### AWARD

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. Respondent Hutchison Financial Corporation shall be and hereby is liable for and shall pay to the Claimant Muriel Olsen the sum of Five Thousand Two Hundred Fifty Dollars and No Cents (\$5,250.00);
2. Interest at the rate of 6% per annum is awarded on the above stated sum from and inclusive of February 14, 1990 to and inclusive of the date this award is paid;
3. Respondent Martin Lonski shall be and hereby is liable for and

shall pay to the Claimant Muriel Olsen the sum of Five Thousand Two Hundred Fifty Dollars and No Cents (\$5,250.00);

4. Interest at the rate of 6% per annum is awarded on the above stated sum from and inclusive of February 14, 1990 to and inclusive of the date this award is paid;

5. All claims asserted against Dave Hutchison shall be and hereby are dismissed in their entirety;

6. No punitive damages are awarded;

7. Each party shall bear its own costs and expenses including attorneys fees incurred in this matter not specifically enumerated herein; and

8. 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 \$300.00 previously deposited with the NASD by the Claimant as forum fees.

Arbitrators concurring:

Dated:

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A. James Dickinson, Esq.  
Presiding Chair

\_\_\_\_\_

\_\_\_\_\_  
Steven E. Reichert

02/12/91

*Paul J. Bordonaro*  
Paul J. Bordonaro, Esq.  
Industry Arbitrator

90-678

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8. 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 \$300.00 previously deposited with the NASD by the Claimant as forum fees.

Arbitrators concurring:

Dated:

8/15/91

A. James Dickinson, Esq.  
Presiding Chair

Steven E. Reichert  
Steven E. Reichert

Paul J. Bordonaro, Esq.  
Industry Arbitrator

shall pay to the Claimant Muriel Olsen the sum of Five Thousand Two Hundred Fifty Dollars and No Cents (\$5,250.00);

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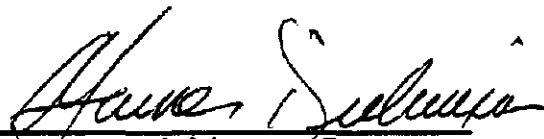
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8. Pursuant to Section 43(c) of the Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. shall retain the hearing session deposit in the amount of \$300.00 previously deposited with the NASD by the Claimant as forum fees.

Arbitrators concurring:

Dated:

August 12, 1991

  
Al James Dickinson, Esq.  
 Presiding Chair

Steven E. Reichert

Paul J. Bordonaro, Esq.  
 Industry Arbitrator