

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

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In the Matter of the Arbitration Between

Name of Claimants

Martin Walters, individually and as  
custodian for Heidi Lynn Walters and  
Jamie Ann Walters under UGMA/IA,  
Marty Walters Homes, Inc. and Kathleen Walters a/k/a  
Kathryn Walters

90-01804

Name of Respondents

Anchor National Financial Services, Inc. and  
Norman L. Dixon

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REPRESENTATION

Claimants appeared pro se.

Anchor National Financial Services, Inc. was represented by David W. Dunn, Esq. of Davis, Hockenberg, Wine, Brown, Koehn & Shars, P.C., Des Moines, Iowa.

Norman L. Dixon appeared and testified telephonically.

CASE SUMMARY

In a Statement of Claim filed with the National Association of Securities Dealers, Inc. ("NASD") on or about June 26, 1990, Martin Walters, individually and as custodian for Heidi Lynn Walters and Jamie Ann Walters under UGMA/IA, Marty Walters Homes, Inc. and Kathleen Walters a/k/a Kathryn Walters (collectively as "Claimants") alleged that Norman L. Dixon ("Dixon") failed to disclose material facts and falsely represented material facts in connection with the purchase of stock in Advanced Transdermal Systems, Inc., Acrotech, Inc. and Gentre Laboratories, Inc. Claimants also alleged that the securities were not properly registered.

In its Statement of Answer filed with the NASD on or about August 2, 1990, Anchor National Financial Services, Inc. ("Anchor") stated that Dixon acted outside the scope of his authority as a registered representative. Anchor stated that Claimants never opened an account with Anchor and that the sales were made directly from the issuers. Anchor also stated that it had no knowledge of Dixon's activities and upon learning of Dixon's activities, Dixon was terminated. Anchor further stated that it received no commission or other payments with respect to the purchases of securities at issue.

In a letter dated May 28, 1991 and filed with the NASD on or about May

31, 1991, Dixon stated that since he has been barred from association with any member of the NASD he will not attend the hearing. Dixon also stated his position that he is no longer subject to the regulations of the NASD.

#### RELIEF REQUESTED

Claimants requested an award in the amount of \$29,600.00 plus interest and costs.

Anchor requested that the claims asserted against it be dismissed.

#### PROCEDURAL MATTERS

On Wednesday, June 19, 1991 in Omaha, Nebraska during a hearing lasting two (2) sessions, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed on June 24, 1990 by Claimants Martin Walters individually and as custodian for Heidi Lynn Walters and Jamie Ann Walters, as president of Marty Walters Homes, Inc. and by Kathleen M. Walters on July 25, 1990 by James E. Stark on behalf of Respondent Anchor National Financial Services, Inc.

Respondent Norman L. Dixon did not 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 and having appeared and testified at the hearing telephonically, is bound by the determination of the arbitrator on all issues submitted.

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

#### AWARD

The arbitrator, 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. Respondents Anchor National Financial Services, Inc. and Norman L. Dixon shall be and hereby are jointly and severally liable for and shall pay to the Claimants Martin Walters individually and as custodian for Heidi Lynn Walters and Jamie Ann Walters under UGMA/IA, Marty Walters Homes, Inc., Kathleen M. Walters, a/k/a Kathryn Walters the sum of Twenty Nine Thousand Six Hundred Dollars (\$29,600.00) and Four Hundred Dollars (\$400.00) as costs;

2. No interest is awarded on the above stated sum;

3. Each Respondent shall bear its own costs, expenses and attorneys fees; and

4. 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 Claimants. Respondents shall be and hereby are jointly severally liable for and shall pay to the NASD the sum of \$500.00 as forum fees.

Dated:

June 19, 1991

Thomas E. Johnson, Esq.  
Presiding Chair  
Public Arbitrator

June 19, 1991

Thomas J. Tarsney, Esq.  
Public Arbitrator

June 19, 1991

Donald Terlip  
Industry Arbitrator

Date Served: June 21, 1991