

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant(s)

Martin Craig Strickland

90-02094

Name of Respondent(s)

Shearson Lehman Hutton, Inc.

Heard before:

Name

Public/Industry

Daniel E. Gulden, Esq.

Public Arbitrator

Appearance of Counsel:

Martin Craig Strickland
Shearson Lehman Hutton, Inc.

pro se
Sara Anne Ford, Esq. of
Peterson Dillard Young Self
& Asselin,
Atlanta, Georgia

CASE SUMMARY

This claim was initiated by a Statement of Claim filed with the National Association of Securities Dealers, Inc. ("NASD") on July 30, 1990. Claimant Martin Craig Strickland alleged that the Respondent and its agent fraudulently and deceptively sold him a common stock entitled Hiteck International Products, Inc. which proved to be unprofitable. Claimant further alleged that the Respondent's agent encouraged liquidation of Claimant's IRA accounts instead of selling the Hiteck stock when Claimant requested that his shares of Hiteck be sold. Respondent maintained that the Claimant did not purchase the stock through Shearson, did not give information to the Claimant regarding the stock and had no connection with the purchase of Hiteck by the Claimant, asserting that the Claimant purchased the stock through another broker-dealer.

RELIEF REQUESTED

Claimant requested damages of \$13,192.74 for restitution for the alleged illiegal sale of the securities on November 25, 1986, \$964.00 for the tax penalty incurred from the sale of IRA holdings on October 15, 1987, plus punitive damages of \$15,843.26. Respondent requested that the claims of the Claimant be dismissed and asserted a Motion to Dismiss the claims prior to the hearing.

AWARD

On March 22, 1991 in a pre-hearing conference by telephone lasting one (1) session and on April 10, 1991 in Atlanta, Georgia during a hearing lasting one (1) session, the undersigned arbitrator heard the controversy between the parties as set forth in submissions to arbitration signed by Claimant Martin Craig Strickland on July 25, 1990 and by Respondent Shearson Lehman Hutton, Inc. on January 8, 1991. The arbitrator, having considered the pleadings, the testimony, and the evidence presented at the hearing, has determined in full and final resolution of all issues submitted for determination as follows:

(1) The claims of the Claimant Martin Craig Strickland against Respondent Shearson Lehman Hutton, Inc. for restitution for the illegal sale of securities on November 25, 1986 and for the tax penalty incurred from the sale of IRA holdings on October 15, 1987 be and hereby are dismissed in their entirety.

(2) The Claimant's claim for punitive damages be and hereby is denied.

(3) The parties shall each bear their respective costs including attorneys fees.

FORUM FEES

Pursuant to Section 43c of the Code of Arbitration Procedure, the following Forum Fees are assessed:

(1) The Respondent Shearson Lehman Hutton, Inc. is assessed \$600.00 in forum fees.

(2) The NASD shall refund \$300.00 of the initial filing fee previously deposited by the Claimant.

Fees are payable to the National Association of Securities Dealers, Inc.

Arbitrator's Signature

Daniel E. Gulden
Daniel E. Gulden

Date of Decision: May 14, 1991