

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between

James T. & Christine R. Burton

Claimants

vs.

Claiborne H. Kinnard

Respondent

CASE# 91-00949
AWARD

CASE SUMMARY

Pro Se Claimants James T. and Christine R. Burton, in a claim filed with the National Association of Securities Dealers, Inc. on March 26, 1991, alleged that their broker at First Affiliated Securities Inc. and the branch manager Claiborne A. Kinnard, placed them in an unsuitable investment by recommending and purchasing for their account Leisure Technology stock. They state that this investment was in defiance of instructions to make no investments that would risk the principle. The purpose of the investment was to have provided college funds for their children. However, Claimants confirm that the stock is now worth practically nothing.

Respondent, Claiborne A. Kinnard, Pro Se, maintained that Leisure Technology was indicated by research reports to be a good investment and that the principals reported positive revenues and earnings. He asserted that the decline in Leisure Technology was not forecast nor was it easily recognizable, and that reasonable due diligence was performed by First Affiliated's office in Nashville.

RELIEF REQUESTED

Claimants requested Ten Thousand Dollars and No Cents (\$10,000.00) in damages in order to stay within the guidelines of simplified arbitration even though their actual losses exceeded Eleven Thousand Dollars and No Cents (\$11,000.00). Respondent Claiborne H. Kinnard requested that the claims of the Claimants be dismissed.

AWARD

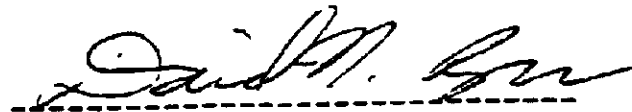
Pursuant to Section 13 of the National Association of Securities Dealers, Inc. Code of Arbitration Procedure, a single Public Arbitrator, David N. Burn, was selected to review and determine the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimants on March 21, and by the Respondent Claiborne H. Kinnard on June 17, 1991;

And, the Arbitrator, having considered the proof of the parties, has decided and determined in full and final resolution of the issues submitted for determination as follows:

1. Respondent Claiborne H. Kinnard is liable and shall pay to the Claimants James T. and Christine R. Burton the sum of Seven Thousand Five Hundred Dollars and No Cents (\$7,500.00).
2. The parties shall bear their respective costs.
3. The One Hundred Fifty Dollar (\$150.00) filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimants shall be retained by the NASD, Inc. and is assessed against Respondent Claiborne H. Kinnard who shall pay One Hundred Fifty Dollars and No Cents (\$150.00) directly to the Claimants as reimbursement.

AFFIRMATION

I, David N. Burn, do hereby affirm upon my oath as arbitrator that I am the individual described herein and who executed this instrument, which is my oath and award.



David N. Burn

DATED: December 3, 1991