

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between

Name of Claimant

Michael Skurich

and

Name of Respondent

Lawrence J. Meis

ARBITRATION CHIC

91-03179

REPRESENTATION OF PARTIES

Claimant Michael Skurich was represented by Noel Guardi, Esq., Denver, Colorado.

Respondent Lawrence J. Meis appeared pro se.

CASE INFORMATION

The Statement of Claim was filed on or about October 10, 1991. Claimant's Submission Agreement was signed on November 6, 1991.

Statement of Answer was filed by Respondent Lawrence J. Meis on or about January 16, 1992. Respondent Lawrence J. Meis' Submission Agreement was signed on January 15, 1992.

HEARING INFORMATION

The hearing was held on Thursday, November 5, 1992 in Denver, Colorado for a total of three (3) sessions.

CASE SUMMARY

Claimant alleged that Respondent Lawrence J. Meis induced him to maintain an account with him on the basis of material misrepresentations. Claimant specifically alleged that Respondent Meis made the following false and misleading statements of material fact: that Meis managed millions of investment dollars for large clients, that Meis had a doctor's degree, and that H.T. Fletcher Securities, Inc. was a reputable securities firm that did not deal in "penny stocks." Claimant further alleged that Respondent Meis made material misstatements to induce him to invest in the Cash Equivalent Fund, and alleged that certain transactions in the Cash Equivalent Fund, specifically, a series of purchases therefrom of shares of Applied Research, were not authorized. At the hearing, claimant testified that all investments in the securities of Applied Research made with his funds and on his behalf by respondent were unauthorized and were made without his knowledge or his consent.

Respondent Lawrence J. Meis stated that the claimant was aware of the nature and extent of all investments in his account. Respondent Meis also stated that the claimant received all applicable confirmations over a several month period. Claimant admitted having received several such confirmations and having discarded the same without reading them. Respondent Meis further stated that the claimant elected to bear the reward and risk of his investments. Respondent Meis asserted the following affirmative defenses: the claims are barred by the terms of the claimant's agreement with H.T. Fletcher Securities, Inc.; barred or reduced as a result of the claimant's wrongful conduct and negligence; barred by the doctrines of in pari delicto and unclean hands; barred by the statute of frauds and the parol evidence rule; barred or reduced as a result of the claimant's failure to mitigate; barred by the applicable statutes of limitations; and barred by the claimant's failure to object to alleged unauthorized transactions.

RELIEF REQUESTED

Claimant requested an award of damages in an amount to be proven at the hearing, interest, costs, attorney's fees, and exemplary damages.

Respondent Lawrence J. Meis requested that the claimant's petition be denied with prejudice and that he be awarded his attorney's fees and costs.

OTHER ISSUES CONSIDERED & DECIDED

This matter was originally filed against numerous respondents that were subsequently released or dismissed by the Claimant Michael Skurich. Those respondents are: Southwest Securities, Inc., H.T. Fletcher Securities, Inc., Henry Turner Fletcher, III, David J. Birk, Richard Albert Litzman, Kyle Curtis Bullock, and Securities Settlement Corporation.

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

After considering the pleadings, the testimony, and the evidence presented at the hearing, the undersigned arbitrators have decided in full and final resolution of the issues submitted for determination as follows:

1. The claims asserted herein shall be and hereby are dismissed in their entirety. The undersigned arbitrators have determined that

the evidence presented at this hearing by claimant and by respondent lacked credibility, with both parties having failed to convince the arbitrators of the veracity of their respective allegations and defenses. As a result of this lack of credibility, the claimant has failed to persuade the arbitrators of his entitlement to damages and the respondent has failed to support his entitlement to fees and costs.

2. Each party shall bear his own costs, expenses and attorney's fees incurred in this matter not specifically enumerated herein.

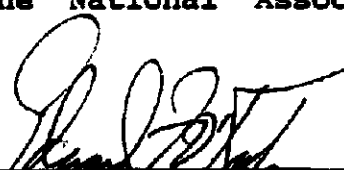
FORUM FEES

Pursuant to Section 43(c) of the NASD Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. ("NASD") shall retain the non-refundable filing fee in the amount of \$120.00 and shall retain the hearing session deposit in the amount of \$400.00 previously deposited with the NASD by the claimant. Claimant shall pay the sum of \$200.00 as additional forum fees. Respondent shall pay to the NASD the sum of \$600.00 as additional forum fees.

Forum fees are calculated at the rate of \$400.00 per hearing session. Fees are payable to the National Association of Securities Dealers, Inc.

Dated:

Nov. 25, 1992



Edward F. O'Keefe, Esq.
Presiding Chair
Public Arbitrator

James W. Buchanan, III, Esq.
Public Arbitrator

Suzanne E. Reynolds-Brady
Industry Arbitrator

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Securities Dealers, Inc.

Dated:

Edward F. O'Keefe, Esq.
Presiding Chair
Public Arbitrator

11/30/92

James W. Buchanan, III, Esq.
Public Arbitrator

Suzanne E. Reynolds-Brady
Industry Arbitrator

nasd@kirkland.com

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Dated:

Edward F. O'Keefe, Esq.
Presiding Chair
Public Arbitrator

James W. Buchanan, III, Esq.
Public Arbitrator

November 27, 1992

Suzanne E. Reynolds-Brady
Suzanne E. Reynolds-Brady
Industry Arbitrator