

NATIONAL ASSOCIATION OF SECURITIES DEALERS

National Association of  
Securities Dealers, Inc.  
NASD Financial Center  
33 Whitehall Street  
New York, N.Y. 10004  
FAX (212) 858-4389

In the Matter of the Arbitration Between

Name of Claimant

John W. Davidson

91-04051

Name of Respondents

Interstate/Johnson Lane  
Vincent Martin

REPRESENTATION

For Claimant John W. Davidson ("Claimant"): Marvin H. Duke, III, of Dowling, Sanders et al.

For Respondent Interstate/Johnson Lane ("Interstate"): David Jensen of Peterson Dillard et al.

For Respondent Vincent Martin ("Martin"): Mr. Martin appeared pro se.

CASE INFORMATION

Statement of Claim filed: December 23, 1991.

Claimant's Submission Agreement signed on: October 30, 1991.

Joint Statement of Answer filed by Respondents on: March 18, 1992.

Respondent Interstate's Submission Agreement signed on: March 16, 1992.

Respondent Martin's Submission Agreement signed on: March 4, 1992.

HEARING INFORMATION

Hearing Dates/Sessions: July 22, 1992/2 sessions

Hearing Location: Atlanta, GA.

CASE SUMMARY

Claimant alleged on or about December of 1987, Martin urged him to purchase Koger Equity Real Estate Investment Trust, Koger Properties, and Del-Val (DVL) stocks. Claimant alleged Martin stated the security of DVL and Koger were "just like bonds"; DVL's principal lessor was Wal-Mart; Koger's lessors were Fortune 500 companies; Interstate was not "making a market" in the stocks; and neglected to mention that Interstate was underwriting any of the stock. Finally, Claimant alleged that when Koger fell in price, Martin stated the drop was the result of "short traders" and the stock remained a

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conservative investment, as Claimant alleged he was a conservative investor.

In their joint Statement of Answer Respondents alleged they were responsive to Claimant's desires and requests and that Claimant was successful in his business efforts. Respondents maintained that after the "1987 Crash", Claimant decided to modify his investments to de-emphasize growth and focus on income investments. Respondents asserted Martin's recommendations were based on Claimant's new objectives and instructions and that the Koger and DVL investments were in the real estate industry, highly rated in that industry and had a good history of income or dividend payments. Respondents stated at no time did Martin suggest these stocks were "just like bonds" and that these recommendations were suitable for Claimant.

#### RELIEF REQUESTED

Claimant requested: actual damages of \$90,557.44, plus interest; and attorneys' fees.

Respondents requested: Claimant's claims be dismissed and costs.

#### OTHER ISSUES CONSIDERED & DECIDED

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 originals remain on file with the NASD.

Respondent Martin filed a joint Statement of Answer with Respondent Interstate; however, Martin represented himself at the hearing.

#### 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 of the Claimant, John W. Davidson are dismissed;
- 2- All other claims are dismissed;
- 3- Each party shall bear its own costs, including attorneys' fees.

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**Forum Fees**

Pursuant to Section 43c of the Code of Arbitration Procedure, the NASD shall retain the \$150.00 non-refundable filing fee and the following Forum Fees are assessed.

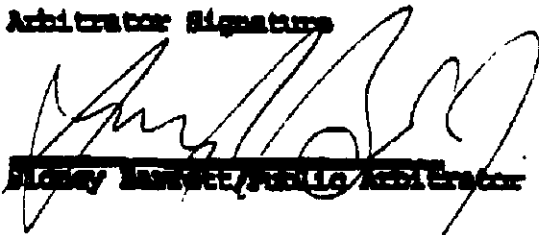
2 sessions X \$500.00 = \$1,000.00

**Forum fees Assessed Against:**

- 1- Claimant John W. Davidson, in the amount of \$500.00; however, in lieu of further payment the NASD shall retain Claimant's \$500.00 hearing session deposit.
- 2- Respondents, Interstate/Johnson Lane and Vincent Martin, jointly and severally, in the amount of \$500.00.

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

Arbitrator Signature



**Sidney Bassett, Public Arbitrator**

Date of Decision: September 29, 1992

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W. William James/Public Arbitrator

Date of Decision: September 29, 1992

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 Executed on:  
9/25/92  
Fred R. Brown/Industry Arbitrator

Date of Decision: September 29, 1992