

PUBLIC

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

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In the Matter of the Arbitration Between :  
Peter Hsia & Sheau-Yin Hsia, JTWROS :  
Claimants :  
vs. :  
Stratton Oakmont, Inc. :  
Christopher Finkle :  
Respondents :  
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CASE #92-00229  
AWARD

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on January 22, 1992, Peter Hsia & Sheau-Yin Hsia, who appeared Pro Se, alleged that Respondents Stratton Oakmont, Inc. and Christopher Finkle executed a purchase of 900 shares of Ventura Entertainment and a sale of 200 shares of Eastern Kodak stock without their authorization or consent, and that although many attempts were made to resolve the error, the Claimants were unsuccessful in reversing the trades, causing a loss.

Respondent Stratton Oakmont, Inc. failed to file an answer to the Statement of Claim.

Respondent Christopher Finkle, who appeared Pro Se, maintained that the Claimants did consent to the trades and that the 200 shares of Eastern Kodak were sold in order to facilitate the purchase of Ventura Entertainment stock, all done with the Claimants' authorization. Respondent Christopher Finkle further maintained that the Claimants became unhappy when the stock started to drop in value, which he cannot be held liable for.

RELIEF REQUESTED

Claimants Peter & Sheau-Yin Hsia requested \$9,000.00 in actual damages or an amount equivalent to 200 shares of Kodak stock, plus 18 months worth of dividends.

Respondent Christopher Finkle requested the claims of the Claimants be dismissed.

Respondent Stratton Oakmont, Inc. failed to file an answer to the Statement of Claim.

AWARD

Pursuant to Section 13 of the National Association of Securities Dealers, Inc. Code of Arbitration Procedure, a single Public Arbitrator, Owen Guinn Smith, was selected to review and determine the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimants on October 17, 1991 and by the Respondent Christopher Finkle on May 26, 1992, but not signed by Respondent Stratton Oakmont, Inc. as required by Sections 12 & 13 of the NASD Code of Arbitration Procedure.

1. In accordance with Section 13 of the NASD Code of Arbitration Procedure the Respondent Stratton Oakmont, Inc. was served a copy of the Statement of Claim by regular mail and given an opportunity to respond, which it failed to do. Notice of overdue answer was effected as evidenced by the return receipt card. Also, the notification of arbitrator's identity was received by Respondent Stratton Oakmont, Inc. as evidenced by the return receipt card.
2. Pursuant to the By-Laws of the NASD the arbitrator determined that Respondent Stratton Oakmont, Inc. was required to submit to this arbitration proceeding and is, therefore, bound by the arbitrator's ruling and determination.

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:

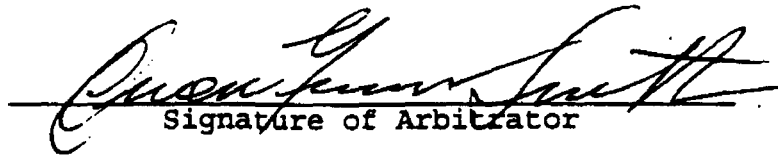
1. Respondents Stratton Oakmont, Inc. and Christopher Finkle are jointly and severally liable and shall pay to Claimants Peter & Sheau-Yin Hsia, JTWROS \$9,500.00 in actual damages.
2. The parties shall bear their respective costs.
3. The \$150.00 filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimants shall be retained by the NASD, Inc. Respondents Stratton Oakmont, Inc. and Christopher Finkle

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are jointly and severally liable and shall pay  
\$150.00 to the Claimants as reimbursement.

AFFIRMATION

I, OWEN GUINN SMITH, 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.

  
Signature of Arbitrator

DATE OF DECISION: September 10, 1992