

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between :

Gilbert J. and Naomi Yablon :

Claimants :

vs. :

Stratton Oakmont, Inc. :

**Respondent :**

**CASE #92-01508**  
**AWARD**

### CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on May 1, 1992, Claimants Gilbert J. and Naomi Yablon, who appeared Pro Se, alleged that in May 1990 they were contacted by J. Burton Anderson of Respondent Stratton Oakmont, Inc. whereby he strongly suggested they purchase Kodak stock, and advised them that Kodak was in the process of settling a lawsuit with Polaroid which should increase Kodak stock value 50%. Claimant further alleged that they were reluctant to make the investment, but Respondent, by and through Mr. Anderson, suggested they purchase 100 shares to prove that they could rely on his advice, at which time, Claimants made the purchase. Claimants contended that the settlement did occur but the expected increase in Kodak did not. Claimants further contended that in July 1991 they were informed by Respondent that Mr. Anderson was no longer with the company and Respondent, by and through Mr. Fuchs, informed them that Kodak stock was "going nowhere", at which time, he suggested they would be better off selling Kodak and purchasing IPS. Claimants asserted that they requested a prospectus; however, Respondent by and through Mr. Fuchs, informed them that they should get in quickly because every day of delay was costing Claimants money. Claimants further asserted that they gullibly acceded to Mr. Fuchs' advice and a few weeks later Respondent, by and through Mr. Fuchs, called them to advise them to sell the IPS which had fallen slightly in price, at which time, Mr. Fuchs advised them to purchase a different stock. Claimants argued that they asked Respondent, by and through Mr. Fuchs, if there was anything wrong with the IPS stock and Mr. Fuchs response was "no", whereby he insisted Claimants switch stock, at which time, his tone became belligerent. Claimants further argued that at that point they told Mr. Fuchs they no longer wished to continue a relationship with Respondent since they felt he was merely trying to "churn" their

account. Claimants further alleged that Respondent's high pressure boiler room sales tactics caused Claimants to sustain damages in their account.

Respondent Stratton Oakmont, Inc. by and through their in-house counsel, M. David Hyman, Esq., maintained that there were no improper sales practices in the handling of Claimants Gilbert J. & Naomi Yablon account and they declined to tell Mr. Fuchs they were terminating the relationship. Respondent further maintained that Claimants suffered no loss that was proximately caused by any conduct that can be attributed to Respondent, and any loss incurred by Claimants were a result of a conscious decision by Claimants.

RELIEF REQUESTED

Claimants Gilbert J. and Naomi Yablon requested \$4,397.50 in actual damages.

Respondent Stratton Oakmont, Inc. requested the claim be dismissed.

AWARD

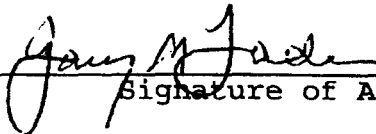
Pursuant to Section 13 of the National Association of Securities Dealers, Inc. Code of Arbitration Procedure, a single Public Arbitrator, Gary M. Landau, Esq., was selected to review and determine the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimants on April 27, 1992 and by the Respondent on May 27, 1992.

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 Stratton Oakmont, Inc. is liable and shall pay to the Claimants Gilbert J. and Naomi Yablon the sum of \$2,610.00 in damages.
2. The parties shall bear their respective costs.
3. The \$125.00 filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimants Gilbert J. and Naomi Yablon shall be retained by the NASD, Inc. Respondent Stratton Oakmont, Inc. is liable and shall pay to the Claimants the sum of \$125.00 as reimbursement.

AFFIRMATION

I, **GARY M. LANDAU, ESQ.**, 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.

  
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Signature of Arbitrator

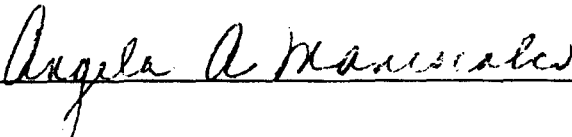
DATE OF DECISION: November 13, 1992

STATE OF: *Florida*

SS:

COUNTY OF: *Broward*

On this 9 day of November 1992, before me personally appeared **Gary M. Landau, Esq.** to me known and known before me to be the individual described in and who executed the foregoing instrument and he duly acknowledged to me that he executed the same.

  
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NOTARY PUBLIC STATE OF FLORIDA  
MY COMMISSION EXP SEPT. 13, 1994  
BONDED THRU GENERAL INS. UND.