

PUBLIC

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Hsue Tung

92-02129

Name of Respondent

Christopher L. DeDea

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on June 25, 1992. Claimant Hsue Tung, who appeared Pro Se, alleged that in April 1986 Respondent Christopher L. DeDea started to solicit business from Claimant whereby he informed Claimant that he was an experienced, good stockbroker, licensed in Maryland. Claimant further alleged that Respondent sold him 2,000 shares of Allure Cosmetics, on the basis of promises of short term profits of about \$2.00 per share or so. Claimant contended that Respondent left the firm of Jerold Securities without giving any notice to Claimant and subsequently Jerold Securities went out of business. Claimant further contended that Respondent was not registered in Maryland when this transaction was completed. Claimant asserted that Respondent misrepresented the sale and transaction, in addition to violating Maryland State Securities Rules.

Respondent Christopher L. DeDea, by and through his counsel Edward V. Hanlon, Sole Practitioner, Greenbelt, Maryland, maintained that the claims now raised in this arbitration proceeding have been previously litigated in full, on the merits in the courts of Maryland and a final binding decision was rendered in favor of Respondent and against Claimant. Respondent further maintained that Claimant appealed the decision to Circuit Court and following a de novo hearing on the merits, Claimant also lost the hearing. Respondent contended that the decision of the Circuit Court is final and non-appealable and it is res judicata. Respondent further contended that Claimant never alleged that the courts of Maryland did not have appropriate jurisdiction to hear all of these claims which he has previously made against Respondent and which he now makes in request for arbitration. Respondent asserted that he did not solicit Claimant to purchase Allure Cosmetics and he never made any "promises" whatsoever to Claimant concerning short term profit, plus he received a copy of the prospectus containing the warning that Allure Cosmetics was a high risk investment. Respondent further asserted a Counterclaim for legal fees plus reimbursement for any NASD filing fees.

Claimant replied to the Respondent's Counterclaim and asserted that the Court's ruling was based on its statute of limitations of three years and the complaint was entered into the NASD Arbitration Department where the statute of limitation is six years from the transaction. Claimant further asserted Respondent violated Maryland State Securities laws, and he unethically and unlawfully challenged his victimized client the Claimant who legitimately sought assistance from the NASD.

RELIEF REQUESTED

Claimant Hsue Tung requested \$2,000.00 in actual damages plus interest.

Respondent Christopher L. DeDea requested the claim be dismissed in its entirety.

AWARD


Pursuant to Section 13 of the National Association of Securities Dealers, Inc. Code of Arbitration Procedure, a single Public Arbitrator, Virginia S. Carson, Esq., was selected to review and determine the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimant on June 22, 1992 and by the Respondent on November 3, 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. The claim of Claimant Hsue Tung against Respondent Christopher L. DeDea is dismissed in its entirety.
2. The Counterclaim of Respondent Christopher L. DeDea is denied.
3. The parties shall bear their respective costs.
4. The \$50.00 filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimant Hsue Tung shall be retained by the NASD, Inc.

AFFIRMATION

I, **VIRGINIA S. CARSON, 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.



Signature of Arbitrator

DATE OF DECISION: March 9, 1993