

6/93

9306094

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Mark Huseby

vs.

NASD #92-03204

Name of Respondents

Kemper Securities
Steven P. Sacramone

REPRESENTATION

For Claimant: Mark Huseby of Las Vegas, Nevada

For Respondents: William D. Nelson, Esq. of Robinson, Waters, O'Dorisio & Rapson of
Denver, Colorado

CASE INFORMATION

Statement of Claim filed: September 22, 1992

Claimant's Submission Agreement signed: October 5, 1992

Statement of Answer filed by Respondents on: December 31, 1992

Respondents' Submission Agreements signed on:

| | |
|--------------------|-------------------|
| Kemper Securities: | December 11, 1992 |
| Sacramone: | January 13, 1992 |

HEARING INFORMATION

Prehearing Conference(s) Date(s) Sessions: None

Hearing Date/ Sessions: June 3, 1993 (two sessions)

9306094

Hearing Location: Las Vegas, Nevada

CASE SUMMARY

Claimant alleged: misrepresentation, lack of suitability, unauthorized trading and excessive trading in the sale and purchase of mutual funds, a life annuity, life insurance policy and "money stocks." He was assessed a penalty for terminating his annuity prematurely. Claimant asked respondent Steven Sacramone (Sacramone) why he had made the transactions and the response was that he did not know and that he had tried to do his best for claimant.

Respondents denied the claims alleged by claimant and alleged: Claimant opened his account on May 6, 1991 with Sacramone in Kansas City. Claimant represented he had 20 years of extensive securities experience, approximate net worth, excluding residence, of between \$250,000 and \$500,000, and liquid assets of \$175,000. Claimant's objectives were pursuing a more aggressive investment strategy, which Sacramone executed. Full disclosure was made about all investments, which were authorized by claimant. Respondents also alleged various affirmative defenses.

RELIEF REQUESTED

Claimant requested:

1. Compensatory damages of \$60,547.42;
2. Reimbursement of commissions of \$12,519.66;
3. Reimbursement for "front load" charges or other charges assessed by mutual funds and penalties for surrender of his annuity;
4. Punitive damages; and
5. Interest.

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.

9306094

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. Respondent Kemper Securities, only, is liable for and shall pay claimant the sum of \$25,000 in compensatory damages;
2. All claims against Respondent Sacramone are dismissed;
3. All others claims, including the claim for punitive damages, are dismissed;
4. The parties shall each bear their respective attorney's fees; and
5. The parties shall each bear their respective costs.

OTHER COSTS

None.

FORUM FEES

Pursuant to Section 43c of the Code of Arbitration Procedure, the following forum fees are assessed: The National Association of Securities Dealers, Inc. shall refund the \$500 hearing session deposit previously deposited by the claimant. Forum fees assessed against:

/

/

/

/

/

/

/

/

/

9306094

Respondents Kemper Securities in the amount of \$1,000
calculated as follows: two hearing sessions at \$500/hearing session, equals \$1,000.

Fees are payable to the National Association of Securities Dealers,

ARBITRATION PANEL

Name

Public/Industry

Dougals Edwards
Arthur G. Grant
Vernon B. Willis

Public Arbitrator
Public Arbitrator
Industry Arbitrator

Concurring Arbitrators' Signature


Douglas Edwards

DATE SERVED: 06/14/93

Arthur G. Grant

Vernon B. Willis

Date of Decision: _____

9306094

Respondents Kemper Securities in the amount of \$1,000
calculated as follows: two hearing sessions at \$500/hearing session, equals \$1,000.

Fees are payable to the National Association of Securities Dealers,

ARBITRATION PANEL

Name

Public/Industry

Dougals Edwards
Arthur G. Grant
Vernon B. Willis

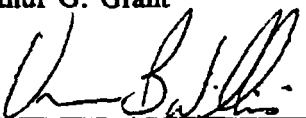
Public Arbitrator
Public Arbitrator
Industry Arbitrator

Concurring Arbitrators' Signature

DATE SERVED: 06/14/93

Douglas Edwards

Arthur G. Grant



Vernon B. Willis

Date of Decision: JUNE 3, 1993

9306094

Respondents Kemper Securities in the amount of \$1,000
calculated as follows: two hearing sessions at \$500/hearing session, equals \$1,000.

Fees are payable to the National Association of Securities Dealers,

ARBITRATION PANEL

Name

Public/Industry

Dougals Edwards
Arthur G. Grant
Vernon B. Willis

Public Arbitrator
Public Arbitrator
Industry Arbitrator

Concurring Arbitrators' Signature

DATE SERVED: 06/14/93

Douglas Edwards



Arthur G. Grant

Vernon B. Willis

Date of Decision: 6-3-93