

PUBLIC

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Donald E. Leverage

92-03743

Name of Respondent

Lawrence H. Butler

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on November 4, 1992, Claimant Donald E. Leverage, who appeared Pro Se, alleged that Respondent Lawrence H. Butler, while employed by Cruttenden & Co. misled him into purchasing Appian Technology stock, which he was led to believe was a prudent investment. The Claimant further alleged that Respondent Lawrence H. Butler continued to make misrepresentations regarding this investment, until it was worth nothing, causing a loss for which the Respondent should be held liable.

Respondent Lawrence H. Butler, who appeared Pro Se, maintained that the Claimant fully understood the risks involved in owning this stock, and that he decided to invest in Appian after hearing many recommendations. The Respondent further maintained that although the Claimant states he was told he owned 50,000 shares of Appian himself, this is not true. The Respondent further maintained that the Claimant has eighteen years investment experience and holds a mutual funds securities license. Respondent Lawrence H. Butler contended he committed no wrongdoing and should not be held liable in this matter.

RELIEF REQUESTED

Claimant Donald E. Leverage requested \$877.50 in actual damages.

Respondent Lawrence H. Butler requested that the claims of the Claimant be dismissed.

AWARD

Pursuant to Section 13 of the National Association of Securities Dealers, Inc. Code of Arbitration Procedure, a single Public Arbitrator, Evelyn Ann Kramer, was selected to review and determine the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimant on October 26, 1992 and by the Respondent on December 23, 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 Lawrence H. Butler is liable and shall pay to Claimant Donald E. Leverence \$877.50, plus simple interest at the rate of 10% per annum from October 15, 1991 to the date of payment of the Award.
2. The parties shall bear their respective costs.
3. The \$30.00 filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimant shall be retained by the NASD, Inc. Respondent Lawrence H. Butler is liable and shall pay to the Claimant \$30.00 as reimbursement of the filing fee.

AFFIRMATION

I, **EVELYN ANN KRAMER**, 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: May 24, 1993