

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

David O. Hansen

93-00779

Name of Respondent

Summit Investment Corporation

REPRESENTATION

For Claimant at the hearing: Michael B. Braman, Esq. of Meyer & Njus, P.A.,
Minneapolis, Minnesota.

For Respondent: Terrence J. Fleming, Esq. of Lindquist & Vennum,
Minneapolis, Minnesota.

CASE INFORMATION

Statement of Claim filed: March 26, 1993. Reply to the counterclaim filed:
June 4, 1993. Claimant's Submission Agreement signed on: February 23, 1993.

Statement of Answer and counterclaim filed by Respondent on: May 5, 1993.
Respondent's Submission Agreement signed on: May 3, 1993.

HEARING INFORMATION

Hearing Dates/Sessions: December 6, 1993 for two (2) sessions;
December 7, 1993 for two (2) sessions;
December 8, 1993 for two (2) sessions.

Hearing Location: Minneapolis, Minnesota.

CASE SUMMARY

Claimant, David Hansen ("Hansen") alleged that Respondent Summit

Investment Corporation ("Summit") misrepresented the amount of shares of Casino Magic stock Hansen could purchase from Summit. Hansen alleged that shortly before he closed his loan which he obtained to cover the purchase price of the stock, he was informed by Summit that he would be limited in the number of shares he would be able to purchase.

Respondent Summit denied the allegation that there was an agreement to purchase a specific amount of shares in the Casino Magic public offering prior to the effective date of the issuer's registration statement. Summit, in its counterclaim, alleged that Hansen should pay for their attorney's fees and costs for filing a frivolous claim.

In their reply to the counterclaim, Hansen alleged that Hansen and Summit had formed a contract for the sale and purchase of 50,000 shares of Casino Magic stock.

RELIEF REQUESTED

Claimant requested compensatory damages in the total amount of \$697,000.00 (34,000 shares of Casino Magic in the sum of \$867,000.00 less agreed upon purchase price for 34,000 shares in the sum of \$170,000.00) plus attorney's fees and costs. Claimant also requested that the counterclaim be dismissed.

Respondent requested that the panel dismiss the statement of claim, and issue an award in favor of respondents for their attorney's fees and costs, including the filing fee.

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.

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. The Claimant, David Hansen's Statement of Claim is denied and dismissed in its entirety;
2. Each of the parties shall bear their own costs and expenses incurred other than those specifically enumerated for herein.

Counterclaim

3. The Claimant, David Hansen, shall be and hereby is liable for, and shall pay to the Respondent, Summit Investment, the amount of Fifteen Thousand Dollars (\$15,000.00) for attorney's fees and costs. The panel awarded attorney's fees and costs pursuant to Minn. Stat. Sec. 549.21.

FORUM FEES

Pursuant to Section 43c of the Code of Arbitration Procedure, the following Forum Fees are assessed.

6 sessions X \$1000 = \$6000 minus hearing session deposit of \$1000 = net \$5000 due.

Forum fees Assessed Against: Claimant David Hansen in the amount of \$5000.

Additional forum fees assessed by the panel are payable to the National Association of Securities Dealers, Inc.

By The Arbitration Panel:

Dated:

<u>1-26-94</u>	s/s	<u>Frederick A. Bohling, Esq.</u> Frederick A. Bohling, Esq. Presiding, Public Arbitrator
<u>2-01-94</u>	s/s	<u>Douglas J. Nesbit</u> Douglas J. Nesbit Public Arbitrator
<u>1-04-94</u>	s/s	<u>Emily B. Boote</u> Emily B. Boote Industry Arbitrator

Date Award Served By The NASD: 1-7-94