

AMENDED  
N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

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In the Matter of the Arbitration Between

PUBLIC

Name of Claimant(s)

Doris G. Parker

93-02685

Name of Respondent(s)

Olde Discount Corporation  
Brent Masters

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**REPRESENTATION**

The Claimant appeared pro se.

For Respondents Olde Discount Corporation and Brent Masters: Ira N. Otto,  
Esq., in-house counsel.

**CASE INFORMATION**

Statement of Claim filed: July 8, 1993.

Claimant's Submission Agreement signed on: July 6, 1993.

Joint Statement of Answer filed by Respondents Olde Discount Corporation and  
Brent Masters on: September 27, 1993.

Respondent Brent Masters's Submission Agreement signed on: September 2,  
1993.

Statement of Answer filed by Respondent Brent Masters: September 7, 1993.

Respondent Olde Discount Corporation's Submission Agreement signed on:  
September 24, 1993.

### **HEARING INFORMATION**

Hearing Date/Session: April 13, 1994 / Two Sessions.

Hearing Location: NASD offices located in Atlanta, Georgia.

### **CASE SUMMARY**

Claimant's pro se demand for arbitration, construed broadly, alleged that Respondents recommended and sold securities to her which were unsuitable for her investment objectives, specifically, 200 shares each of Dell Computer Corporation and Caere Corporation, and that Respondents fraudulently concealed from her material information regarding the condition of the companies whose stock she purchased. Claimant sought the sum of \$9500.00 as damages, representing the decline in the value of those two stocks after her purchase.

Respondents answered the demand, denying liability to Claimant under any theory. Respondents further alleged that the securities purchased by Claimant were suitable for her investment objectives and prior trading history, that Claimant was a knowledgeable investor who was aware of the risks she assumed, and that Claimant failed to mitigate her damages.

### **OTHER ISSUES CONSIDERED AND DECIDED**

The hearing took place over two sessions on April 13, 1994. Claimant proceeded pro se, having been advised of her right to be represented by counsel. The testimony of the following witnesses was presented: on behalf of Claimant, Michael Aronson, Kevin Martinez (pursuant to subpoena) and Claimant herself. On behalf of Respondents, Brent Masters.

### **RELIEF REQUESTED**

Claimant requested damages of \$9,500.00.

Respondents requested that the Claimant's Statement of Claim be denied in its entirety.

### **AWARD**

After considering the pleadings, the testimony and the evidence presented at the hearing, the undersigned arbitrator has decided in full and final resolution of the issues submitted for determination as follows:

1. The Respondents be and hereby are liable jointly and severally and shall pay to the Claimant the sum of \$4,812.00. The arbitrator is persuaded by Respondents' skillful presentation that the securities which Claimant purchased at their recommendation were suitable for her investment objectives, namely, capital appreciation over a 6 to 24 month period. Likewise, no evidence was presented which would justify the conclusion that any information regarding Caere Corporation was withheld from Claimant by the Respondents. However, the testimony at the hearing did show that Respondent Masters knew at the time he recommended the purchase of Dell Computer Corporation ("Dell") that Dell was under investigation by the S.E.C. for currency violations; that such information was not disclosed to Claimant prior to purchase; that Claimant probably would not have purchased the stock had she been advised of the pending investigation; and that subsequent to her purchase the Dell stock declined to about half its value as a result, in part, of news reports concerning the S.E.C. investigation.
2. Each party shall bear their respective costs including attorneys' fees.

#### **FORUM FEES**

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

2 sessions x \$200.00 = \$400.00 less Claimant's hearing session deposit  
(\$200.00) = net \$200.00 due.

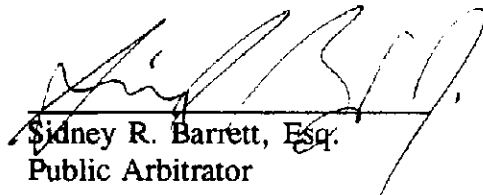
Forum Fees Assessed Against:

The Respondents be and hereby are liable, jointly and severally, and shall pay to the NASD the sum of \$200.00 representing forum fees.

Fees are payable to the National Association of Securities Dealers, Inc.

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ARBITRATOR SIGNATURE

  
Sidney R. Barrett, Esq.  
Public Arbitrator

Execution  
Date of Decision: 16 June 1994

Date of Decision: June 17, 1994