

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the matter of the Arbitration Between

Name of Claimant

Timothy B. Oden

NASD Arbitration
No. 93-03070

Name of Respondents

Holger Dietze and
Lara Millard & Associates, Ltd.

REPRESENTATION

For Claimant: John W. Barnes, Esq., San Francisco, California

For Respondent: Holger Dietze: Pro Se, Chantilly, Virginia

For Respondent: Lara Millard & Associates, Ltd: Lionel E. Pashkoff, Esq., Rosenman & Colin, Washington, D.C.

CASE INFORMATION

Statement of Claim filed: July 30, 1993

Amended Statement Of Claim filed: December 13, 1993

Claimant's Submission Agreement signed: July 30, 1993

Statement of Answer filed by Respondent Lara Millard & Associates, Ltd: January 14, 1994

Respondent Lara Millard & Associates, Ltd.'s Submission Agreement signed: September 9, 1993

Statement of Answer filed by Respondent Holger Dietze: October 8, 1993

Answer to Amended Statement of Claim filed by Respondent Holger Dietz: January 14, 1994

Respondent Holger Dietze's Submission Agreement: December 14, 1993

HEARING INFORMATION

Pre-Hearing Conference Date / Session:

March 10, 1995 - One session

Hearing Dates / Sessions:

April 3, 1995 - Two sessions

April 4, 1995 - Two sessions

April 5, 1995 - Two sessions

April 6, 1995 - Three sessions

Total Sessions - Nine sessions

Hearing Location: San Francisco, California

CASE SUMMARY

Claimant alleged that Respondents breached a fiduciary duty owed to Claimant, that Respondents violated Sections 10(b) and 12 of the Securities Exchange Act of 1934, that Respondent engaged in fraud and deceit, negligent misrepresentation and gross negligence, and that Respondents breached the covenant of good faith and fair dealing.

Respondent Lara Millard & Associates argued that the transactions that caused the damages claimed in this matter were conducted completely outside the control and knowledge of Lara Millard & Associates.

Respondent Holger Dietze denied any liability to Claimant. Dietze maintained that Claimant was responsible for his own speculative lending activities.

RELIEF REQUESTED

Claimant claimed damages in excess of \$350,000.00 for damages suffered or financial losses incurred and for lost income and capital appreciation on such losses. Claimant also sought interest on the damage award from the date of judgment at the rate of 10% per annum. Claimant requested exemplary and/or punitive damages of \$550,000.00 and an award of reasonable attorney's fees and other costs.

Respondent Lara Millard & Associates, Ltd., requested an award of its costs and reasonable attorney's fees, plus interest expended in defending against the Claimant's claims.

Respondent Holger Dietze requested that all claims against him should be dismissed.

OTHER ISSUES CONSIDERED AND DECIDED

The parties have agreed that the Award in this matter may be executed in either 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 original remains 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. Each and every claim against Respondent Lara Millard & Associates, Ltd., is dismissed.
2. Respondent Holger Dietze is liable for and shall pay Claimant Timothy B. Oden the sum of \$175,000.00 plus interest at 5% from June 1, 1992.
3. Each and every claim of punitive damages is dismissed.
4. Each and every other claim is dismissed.
5. The parties shall each bear their respective attorney's fees.
6. The parties shall each bear their respective costs.

FORUM FEES

Pursuant to Section 43(c) of the Code of Arbitration Procedure, the following forum fees are assessed:

Total Fees:		
One pre-hearing conference @ \$300 / session	=	\$300.00
<u>Nine hearing sessions @ \$1,000 / session</u>	=	<u>\$9,000.00</u>
Total:	=	\$9,300.00
 Claimant's one-half share:	=	\$4,650.00
<u>Credit for hearing session deposit</u>	=	<u>\$1,000.00</u>
Balance due	=	\$3,650.00
 Respondent Holger Dietze's one-half share	=	\$4,650.00

Respondent Lara Millard & Associates, Ltd. is not responsible for forum fees.

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

ARBITRATORS

<u>Name</u>	<u>Public / Industry</u>
Allan Blau	Public Chairperson
John Flynn	Public Panelist
Terrence Dorsey	Industry Panelist

Concurring Arbitrators' Signatures

Allan Blau 4/12/95

Date Served: 04/20/95