

## N.A.S.D. AWARD

## IN THE MATTER OF THE ARBITRATION BETWEEN

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Lenora Coble

and

Case Number 9504334

Terrance (Terry A.) Buttler

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REPRESENTATION© National Association of  
Securities Dealers, Inc.

Lenora Coble ("Claimant") appeared pro se.

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Terrance (Terry A.) Buttler ("Respondent") did not appear at the hearing yet filed a Submission Agreement and a Statement of Answer pro se.

CASE INFORMATION

The Statement of Claim was filed on or about September 11, 1995.

The Statement of Claim

The Submission Agreement of the Claimant was executed on September 7, 1995.

The Submission Agreement

The Statement of Answer of the Respondent was filed on or about October 16, 1995.

The Statement of Answer

The Submission Agreement of the Respondent was executed on October 13, 1995.

The Submission Agreement

HEARING INFORMATION

The hearing was held in Houston, Texas on July 10, 1996 for one (1) hearing session.

CASE SUMMARY

In the Statement of Claim, Lenora Coble ("Coble") alleged that Terrance (Terry A.) Buttler ("Buttler") made unsuitable investments and unauthorized transactions in her IRA account and in her regular account. As alleged, Buttler made an unsolicited telephone call to Coble in the Fall of 1991. After repeated calls from Buttler, the Claimant opened the two accounts in April of 1992 with Corporate Securities in Ft. Lauderdale, FL. Claimant contended that she informed Buttler of her investment objectives which included no risk to principal. Coble alleged that after initially investing her funds in blue chip stocks, Buttler sold those shares and, with the proceeds, purchased high risk stocks without her knowledge. According to the Claimant, many unsuitable stocks were purchased for her accounts based upon Buttler's recommendations. Coble claimed that material and analytical data was not disclosed prior to the execution of trades. Claimant alleged that she had endured a financial hardship due to the mishandling of her funds by the Respondent. Claimant alleged that all

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funds invested were lost which were a total of \$22,786.30 in her regular account and \$18,021.20 in her IRA account.

In his Statement of Answer, Terrance (Terry A.) Buttler denied all allegations of wrongdoing contained in the Statement of Claim. Buttler alleged that Coble had investment experience in penny stocks and commodities. Buttler further alleged that Coble contacted him in order to invest her monies with him and gave him at least six unsolicited letters of testimony in addition to referring her daughter to Buttler in March of 1994.

### **RELIEF REQUESTED**

Claimant requested an award in the amount of \$40,807.50 in actual damages.

Respondent requested that the Statement of Claim be dismissed in its entirety.

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

The parties present at the hearing agreed that the Award in this matter may be executed in present at counterpart copies or that a handwritten, signed Award may be entered. In either case, the parties present at the hearing agreed to receive conformed copies of the Award while the originals remain on file with the NASD.

Upon review of the file and the representations made by/on behalf of the Claimants, the panel determined that Respondent, Terrance (Terry A.) Buttler had been properly served with the Statement of Claim pursuant to Section 13 and Section 25 of the NASD Code of Arbitration Procedure (the "Code"). The panel also determined that Respondent, Terrance (Terry A.) Buttler had received due notice of the hearing as required under Section 26 of the Code and that arbitration of the matter would proceed pursuant to Section 29 of the Code. Respondent, Terrance (Terry A.) Buttler did not appear at the hearing but did answer and did execute a Submission Agreement and is required to submit to arbitration in accordance with Section 12 of the Code.

On or about November 1, 1995, the Respondent submitted a motion to change the hearing situs to Denver, Colorado and on or about April 11, 1996, the Claimant filed a motion to change the hearing location to Austin, Texas. After careful consideration of the motions and all responses, the arbitrators decided that both motions were denied.

### **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:

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1. Respondent, Terrance (Terry A.) Buttler is hereby liable for and shall pay to the Claimant, Lenora Coble the sum of **\$37,489.00** in actual damages;
2. Any or all other relief not specifically granted is hereby denied in its entirety; and
3. The parties shall bear their owns costs except for those specifically enumerated herein.

### FORUM FEES

Forum fees are calculated at the rate of \$400.00 per hearing session. There was one (1) hearing session x \$400.00 = \$400.00 in forum fees. Pursuant to Section 43(b) of the Code, a hearing session is any meeting between the parties and the arbitrator(s) which lasts four hours or less.

Pursuant to Section 43(c) of the Code, the National Association of Securities Dealers, Inc. ("NASD") shall retain the non-refundable filing fee in the amount of \$120.00 previously submitted by the Claimant, Lenora Coble. Respondent, Terrance (Terry A.) Buttler is hereby liable for and shall pay to the Claimant, Lenora Coble the sum of **\$120.00** as reimbursement. Respondent, Terrance (Terry A.) Buttler is hereby liable for and shall pay to the NASD the amount of **\$400.00** in forum fees. The NASD shall also retain the **\$200.00** member surcharge assessed against the Paramount Investments International, Inc. pursuant to Section 45 of the Code.

Signed:

Dated:

Leighton E. Moss, Esq.  
Leighton E. Moss, Esq.  
Public Arbitrator, Chairman

July 15, 1996

Kathryn Ann McCoach  
Kathryn Ann McCoach  
Public Arbitrator, Panelist

July 15, 1996

Robert J. Wilson  
Robert J. Wilson  
Industry Arbitrator, Panelist

July 31, 1996

Date served by the NASD: August 1, 1996