

N.A.S.D. REGULATION AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS REGULATION, INC.

In the Matter of the Arbitration Between

Name of Claimant

Robert Hassler

96-04887

Name of Respondents

Lawrence D. Jahn
Landmark International Equities

REPRESENTATION

For Claimant: David H. Zimmer, Esq.
Greenwich, CT

For Respondent Lawrence D. Jahn: Ira S. Newman, Esq.
Great Neck, NY

Respondent Landmark International Equities did not file an appearance

CASE INFORMATION

Statement of Claim filed: November 1, 1996

Claimant's Submission Agreement signed on: October 24, 1996

Statement of Answer and Counterclaim filed by Respondent Jahn on: April 25, 1997

Respondent Jahn's Submission Agreement signed on: June 6, 1997

Respondent Landmark International Equities did not file an Answer or an executed agreement to arbitrate.

HEARING INFORMATION

Pre-Hearing Conference: September 16, 1997/one session
Telephonic Conference

CASE SUMMARY

Claimant alleged that in approximately August 1995 Claimant Robert Hassler ("Claimant") opened an account with Respondent Landmark International Equities ("Landmark") and Respondent Lawrence Jahn ("Jahn") was the account executive. Claimant alleged that he is a conservative and risk-averse investor and the funds deposited into this account represented a significant portion of Claimant's assets. Claimant alleged that Jahn induced Claimant to authorize the purchase of 3,200 warrants of R.F. Management Corporation on August 24, 1995 for \$1 7/8 per warrant, not including commissions or other costs. Claimant alleged that John assured him that this transaction was consistent with and would satisfy

Claimant's investment objectives as well as other misrepresentations and omissions of material facts. Claimant asserted that this purchase comprised virtually all of Claimant's assets, and was unsuitable for Claimant. Claimant alleged that when the position was liquidated on September 4, 1996 at \$ 3/16 per warrant, it resulted in a loss of \$5,450.00.

Respondent Jahn denied the allegations of wrong-doing as asserted in the Statement of Claim. Jahn maintained that no misrepresentations or omissions of material facts were made and that the investment was suitable in light of Claimant's high annual income and net worth. Jahn further maintained that Claimant was provided a prospectus for the investment and held the positions for more than a year before agreeing to sell. Therefore Jahn maintained that Claimant ratified his purchase and assumed the risk thereof. In addition, Jahn requested that the arbitrator should draw negative inferences as to the Claimant's claim of unsuitability as Claimant failed to provide income tax returns and/or other requested financial documents which can accurately reflect net worth and confirm or contradict the Account Opening Statement which indicated that Claimant's annual income exceeded \$50,000.00 and that his net worth was \$250,000.00.

Respondent Landmark did not submit an Answer.

RELIEF REQUESTED

Claimant requested damages of \$5,450.00 plus legal fees, interest and punitive damages not to exceed \$4,550.00.

Respondent Jahn requested that the Statement of Claim be dismissed.

Respondent Landmark did not submit a request.

OTHER ISSUES CONSIDERED & DECIDED

During the Prehearing Conference, Claimant requested that this case be decided on the papers submitted and that there be no in-person hearing on the merits. Respondent agreed to this request. The Arbitrator granted the Request and the parties submitted further documentation and evidence in support of their position.

AWARD

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

1. That the Statement of Claim is dismissed in its entirety; and
2. That the claim for punitive damages is denied; and
3. That each party shall bear its own costs and expenses, including attorney's fees; and
4. That any relief not specifically addressed herein is denied.

FORUM FEES

Pursuant to Rule 10332(c) of the Code of Arbitration Procedure, the following Forum Fees are assessed:

1 Prehearing x \$200.00 =	\$200.00
Simplified Arbitration, Without Hearing =	<u>\$ 75.00</u>
Total Forum Fees	\$275.00

Forum Fees are assessed to Claimant at \$137.50 and to Jahn at \$137.50.

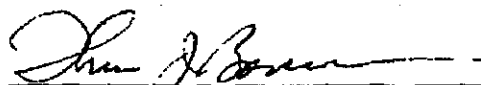
Claimant shall receive credit for the \$200.00 hearing session deposit previously submitted to the NASD Regulation. Therefore, Claimant shall receive a refund from the NASD Regulation of \$62.50.

Jahn shall receive credit for the \$300.00 hearing session deposit previously submitted to the NASD Regulation. Therefore, Jahn shall receive a refund from the NASD Regulation of \$162.50.

DATE

ARBITRATOR'S SIGNATURE

1/5/98



Thomas J. Bonasera, Presiding
Public Arbitrator

Date Decision Served by NASD Regulation:

January 13, 1998