

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between

Keith T. Abood

Claimant

vs.

CASE #87-02625  
AWARD

James Porz

Respondent

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on December 16, 1987, Claimant Keith T. Abood alleged that Respondent James Porz, an account executive with Merrill Lynch Pierce Fenner & Smith, Inc. ("Merrill Lynch"), misrepresented to him the actual value of his investment in American Capital Government Securities Fund (the "Fund"), and failed to pay him accumulated interest due upon the sale of his shares of the Fund. Respondent James Porz maintained that he mistakenly represented to the Claimant the net asset value of the account, and incorrectly stated that there were additional shares accumulated through reinvestment of dividends that were held by the Fund in a separate account. Respondent James Porz denied, however, that his representation caused Claimant to suffer any damages. He further maintained Merrill Lynch offered to cancel the sale and reinstate Claimant's shares in the Fund to his account, together with retroactive dividends. This offer the Claimant refused to accept.

RELIEF REQUESTED

Claimant seeks an award of compensatory damages in the amount of \$1,343.00. Respondent requests that the claim be denied, and that costs be assessed against the Claimant.

AWARD

On November 16, 1989, the undersigned arbitrator heard the controversy between the parties as set forth in submissions to arbitration signed by Claimant Keith T. Abood on February 10, 1988, and by Respondent James Porz on August 16, 1988. The hearing was held at the offices of the National Association of Securities Dealers, Inc. located in Cleveland, Ohio and consisted of one (1) hearing session. The arbitrator, having considered the pleadings, the testimony, and the evidence presented at the hearing, has determined in full and final resolution of the issues submitted for determination as follows: