

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between)
Robert and Shirley Smith.)
Claimants,)
vs.) Case #88-03502
IDS Financial Services, Inc. and) Award
James A. Carney,)
Respondents.)

Heard before the members of the Arbitration Panel:

Paul Sidney Elliott, Esq.
Mr. Sam Giunta
Mr. Willard E. Fawcett

CASE SUMMARY

This claim was filed with the NASD, Inc. on November 8, 1988. The hearing was conducted in Tampa, Florida on October 23, 1989 with a total of two (2) sessions

Claimants, Robert and Shirley Smith ("the Smiths") alleged that Respondents, IDS Financial Services, Inc. ("IDS") and James Carney ("Carney") were liable for fraud and misrepresentation. Specifically, Claimants alleged that Respondents gave them false and misleading information and placed Claimants in investments which were contrary to their stated investment objectives. Respondents alleged that Claimants were fully informed of all the risks and that any losses were due to normal market fluctuations. Additionally, Respondents alleged that IDS cannot be held responsible for losses sustained on the Claimants' prior investments.

RELIEF REQUESTED

Claimants requested damages in the amount of Fifteen Thousand Eight Hundred Sixteen and 00/100 (\$15,816.00) Dollars and other costs. Respondents requested dismissal of the claim.

AWARD

On October 23, 1989, the arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed by Claimants on November 3, 1988, by Respondent, IDS, on January 17, 1989 and by Respondent, Carney, on August 25, 1988. The arbitration panel, 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:

1. The parties have agreed that the Award in this matter may be executed in 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 originals remain on file with the NASD, Inc.
2. Respondents, IDS and Carney are hereby not liable and, therefore, all claims against them are hereby dismissed.
3. Pursuant to Section 43 of the Code of Arbitration Procedure, Respondent, IDS, is hereby assessed forum fees in the amount of Eight Hundred and 00/100 (\$800.00) Dollars (\$400 x 2 sessions). The NASD, Inc. shall refund the Four Hundred and 00/100 (\$400.00) Dollar filing fee previously deposited by the Claimants.
4. The parties shall each bear all other costs and expenses incurred by them in connection with this proceeding, including attorneys' fees.

OTHER ISSUES

None.

ARBITRATORS CONCURRING

Paul Sidney Elliott, Esq.
Mr. Sam Giunta
Mr. Willard E. Fawcett

Dated: November 29, 1989