

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between:

DOROTHY BATOR SIEGEL,

Claimant,

v.

NASD NO. 89-00724

THOMPSON MCKINNON SECURITIES, INC.,  
SCOTT E. SHAW, FAITH DIPPOLD and  
JAMES L. SCOVIC,

Respondents.

---

CASE SUMMARY

Claimant, Dorothy Bator Siegel, alleges that Respondents, Thompson McKinnon Securities, Inc., Scott E. Shaw, James L. Scovic and Faith Dippold, violated the NASD Rules of Fair Practice in that they placed her in an investment of \$68,000 of units of Southmark Equity Partners III, a real estate limited partnership (hereinafter "Equity Partners"), an investment which was not suitable for Claimant. Specifically Claimant alleges that the brokers, Faith Dippold and Scott E. Shaw, failed to inform her of the risks of the investment, never advised her that Equity Partners was an illiquid investment and was not marketable, or that she could lose all or a portion of her investment; that she was assured that her monthly income could only go up - not down, and that they failed to provide her with a prospectus. Claimant also alleges that James L. Scovic, as branch manager, failed to properly supervise her account.

### RELIEF REQUESTED

Claimant requested damages of \$68,000, plus interest and attorneys' fees and other costs. Respondents requested dismissal of the claim and costs.

### AWARD

On December 27 and December 28, 1990, the undersigned arbitrators heard the controversy between the parties set forth in submissions to the arbitrators signed by the Claimant on March 8, 1989; by Respondents Thompson McKinnon Securities, Inc. and James L. Scovic on June 12, 1989; by Respondent Scott E. Shaw on July 16, 1990; and by Respondent Faith Dippold on August 30, 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) No decision or award is made against Respondent Thompson McKinnon Securities, Inc., since it filed for bankruptcy following its submission.

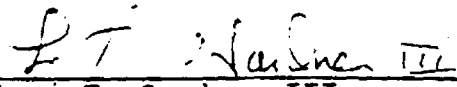
2) The claims by the Claimant against each of the Respondents, Scott E. Shaw, James L. Scovic and Faith Dippold, are hereby dismissed in their entirety.

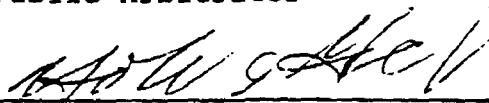
3) The parties shall each bear their respective costs, including attorneys' fees.

4) Pursuant to section 43 of the Code of Arbitration Procedure, the NASD shall retain the \$750.00 filing fee previously deposited by the Claimant.

5) Claimant is assessed forum fees in the amount of \$3,750.00 payable to the NASD, Inc., through its staff counsel, in accordance with Sec. 43 of the Code of Arbitration Procedure. Claimant may use the \$750.00 previously deposited as a partial offset against the forum fees.

  
Harry A. Carson, Chairman

  
Levi T. Gardner III  
Public Arbitrator

  
Harold I. Gach  
Industry Arbitrator

Dated: January 29, 1991