

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of Arbitration Between
GERALD T. NIEDERT
v.
ILLINOIS COMPANY INVESTMENTS, INC.
Claimant
Respondent

NASD No. 89-01256

CASE SUMMARY

In a Statement of Claim filed with the NASD on April 25, 1989, Claimant Gerald T. Niedert alleged that he was induced to purchase a public utility companies' stock by the representations made by Respondent's agent that this public utility was not a Nuclear power generator and that there were no problems attendant to owning this common stock. Claimant further alleged that Respondents' agent was aware that these representations were untrue.

In a Statement of Answer filed with the NASD on August 14, 1989, Respondent denies the allegations and conclusions set forth in the Statement of Claim and states affirmatively that the agent was aware of all matters regarding the public utility company, including nuclear and overcapacity matters, did not fail to discuss these matters with customers, and believed that the stock was discounted because of these problems.

RELIEF REQUESTED

Claimant requested that Respondent purchased the stock from him at \$17.125 per share, and commissions paid, less dividends paid to Claimant; totaling damages of approximately \$34,250.00.

Respondent requested an award dismissing and denying the claim in its entirety.

AWARD

On June 12, 1990 in Chicago, Illinois during a hearing lasting one session, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed on April 20, 1989 by Claimant Gerald T. Niedert and on August 8, 1989 by Robert A. Ebersole on behalf of Respondent Illinois Company Investments, Inc.

The arbitration panel, having considered the pleadings, the testimony, and the evidence presented at the hearing, has decided in full and final resolution of the issues submitted for determination as follows:

1. The Statement of Claim is hereby dismissed and denied in its entirety;

2. The parties shall each bear their own respective costs, including attorneys' fees;

3. Pursuant to Section 43(c) of the Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. shall retain as forum fees, the \$400.00 filing fee previously deposited with the NASD by the Claimant.

BY THE PANEL

Dated: June 19, 1990

/S/Arthur Medow, Esq.
Presiding Chair

Dated: June 30, 1990

/S/Mr. Andre Hunter

Dated: June 19, 1990

/S/Mr. James E. McDonough