

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC

In the Matter of Arbitration Between

JIMMIE MARIE ADAMS

Claimant

v.

KATHLEEN T. ROCK

Respondent

NASD No. 89-01808

CASE SUMMARY

In a claim filed on or about June 23, 1989 the Claimant alleged that the Respondent induced her to invest in unsuitable common stocks by misrepresentating the expected return (that they would double within 6 months to a year.) She further alleged that despite being reassured about the stock's performance the stocks become almost worthless when Ms. Rock's employer, a market maker in the stock, ceased doing business. The Claimant also claimed that the commissions charged were unreasonable.

The Respondent stated that she had personally researched the companies whose stock she recommended. Ms. Rock alleged that the Claimant was an experienced investor and that she explained to Ms. Adams that these stocks were more speculative than those she currently owned. Ms. Rock denied making any misrepresentation about the stocks prospects or performance.

RELIEF REQUESTED

Claimant sought the recovery of the \$6,100.00 invested plus 8 1/2% interest from the date of her investments until the date of the arbitration award.

Date Served 11-30-89

AWARD

On November 8, 1989 in Dallas, Texas during a hearing lasting one session, the undersigned arbitrator heard the controversy between the parties as set forth in submissions to arbitration signed on June 20, 1989 by the Claimant and on August 14, 1989 by Respondent;

Having considered the pleadings, the testimony, and the evidence presented at the hearing, I have decided in full and final resolution of the issues submitted for determination as follows:

1. All claims of the Claimant are hereby dismissed in all respects; and

2. Pursuant to Section 43(b) of the Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. shall retain as forum fees the \$200.00 filing fee previously deposited with the NASD by the Claimant.

PRESIDING ARBITRATOR

Dated: November 20, 1989

S/S

Patrick E. Longan
Patrick Longan, Esq.