

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Estate of Mary Ellen Powers

89-03154

Name of Respondents

Queen City Securities Corporation
H. Garrett Frey

CASE SUMMARY

Claimant, Estate of Mary Ellen Powers (hereinafter "Claimant") alleged that Respondents, H. Garrett Frey and Queen City Securities Corporation (hereinafter "Respondents") never explained to the Claimant material information regarding her purchase of debentures in American Continental Corporation and that Respondents failed to disclose their own interest in the bonds. Claimant alleged that Respondent Frey made material misrepresentations and that he failed to meet the requirements of the suitability rules.

Respondent Frey maintained that he discussed several funds with the Claimant and made suggestions to the Claimant. Respondent Frey maintained that he left a Prospectus for American Continental Corporation Debentures with the Claimant and that the Claimant made an independent investment decision to purchase American Continental.

RELIEF REQUESTED

Claimant requested monetary relief in the amount of \$31,030.00, which includes unpaid interest for the period from April to October 1989. Claimant requested all costs and attorney's fees associated with this arbitration and for any additional accrued but unpaid interest due on the bond between the time this claim was filed and a decision is announced.

Respondents requested that Claimant's claim be dismissed in its entirety.

AWARD

On Wednesday, August 8, 1990, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed by the Claimant, on November 10, 1989. The Respondents did not execute a submission agreement; however, Respondent H. Garrett Frey submitted an answer on behalf of the Respondents and attended the arbitration. Pursuant to Section 12(a) of the Code of Arbitration Procedure, the arbitration panel exercised its jurisdiction over the Respondents. The hearing was held in Cincinnati, Ohio and consisted of one (1) session. 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. That Respondents are hereby jointly and severally liable to the Claimant and shall pay to the Claimant the sum of Twenty Nine Thousand Eight Hundred Seventy and 00/100 Dollars (\$29,870.00); inclusive of interest;
2. The parties shall each bear their respective costs, including attorneys' fees;
3. Pursuant to Section 43 of the Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. shall retain the \$28.00 filing fee previously deposited by the Claimant.
4. The Respondent and Claimant are equally assessed forum fees. Claimant is assessed forum fees in the amount of \$200.00 but is entitled to apply the \$28.00 filing fee previously deposited toward this amount, so that the amount assessed as a forum fee is \$172.00. The Respondents are assessed forum fees in the amount of \$200.00. All forum fees are payable to the NASD, Inc. through its staff counsel in accordance with Section 43 of the Code of Arbitration Procedure.

ARBITRATORS' SIGNATURES

/s/ _____
Andrew M. Temin, Esq.

/s/ _____
Maurice O. White

/s/ _____
Scott Litwin