

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between

Dr. Edwin B. and Janet W. Bransome

Claimants

vs.

South Richmond Securities, Inc.

Respondent

Case #90-01639
AWARD

CASE SUMMARY

Dr. Edwin B. and Janet W. Bransome, in a claim filed with the National Association of Securities Dealers, Inc. on June 11, 1990, alleged that they purchased one thousand shares of Morse Boulger International Corporation stock on March 31, 1989 at the suggestion of Richard Norton of South Richmond Securities, Inc., said purchase being based on Mr. Norton's guarantee that the stock would be priced and registered with NASDAQ within sixty days. Claimant further states that on December 28, 1990 the stocks were still not priced or listed and that they requested a refund of the purchase price due to the above misrepresentation.

Respondent, South Richmond Securities, Inc., maintained that Claimant was not given assurances that the stock in question would be registered. Mr. Norton affirms that the trade was authorized by the Claimants and that he merely indicated to Claimants that Morse had filed with the SEC for approval to be listed on NASDAQ. Respondent asserts that Claimants purchased the Morse stock on speculation, that the account was handled in accordance with Claimant's instructions and that on January 16, 1990 Claimants informed Mr. Norton that he did not wish to liquidate the position.

Claimants reply that the stock purchase of Morse Boulger International Corporation was solicited by Mr. Norton who repeatedly assured them that the stock would be listed on NASDAQ. They further state that Mr. Norton would not or could not inform them of the most recent sale price of the stock.

Respondent replies that Richard Norton did not promise that the Morse stock would be listed on NASDAQ and cannot be responsible whether or not a stock is listed on NASDAQ. Respondent affirms that Claimants authorized the purchase in question and states that Respondent's request for fees is not a counterclaim.

Claimants reiterate that the claim is based on initial and continued misrepresentation by Richard Norton on behalf of South Richmond Securities, Inc. Claimants allege that Mr. Norton's

affidavit is incorrect and confirms that Mr. Norton did guarantee on several occasions that the stock in question would be listed on NASDAQ.

RELIEF REQUESTED

Claimants request a refund of the stock purchase price totalling Three Thousand Two Hundred Sixty Dollars and No Cents (\$3,260.00)

Respondent requests dismissal of the Claim, costs and attorneys's fees.

AWARD

Pursuant to Section 13 of the National Association of Securities Dealers, Inc. Code of Arbitration Procedure, a single Public Arbitrator, Larry J. Dagenhart, Esq. was selected to review and determine the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimants on June 8, 1990 and by the Respondent on February 21, 1991;

And, that the Arbitrator, having considered the proof of the Parties, has decided and determined in full and final resolution of the issues submitted for determination as follows:

1. That the Claim of Dr. Edwin B. Bransome and Janet W. Bransome be, and hereby is, dismissed.
2. The parties shall bear their respective costs including attorney's fees.
3. The Two Hundred Dollar and No Cents (\$200.00) filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimants is assessed against the Respondent, South Richmond Securities, Inc. and payable by the Respondent to the Claimants, Dr. Edwin B. and Janet W. Bransome.

AFFIRMATION

I, LARRY J. DAGENHART, ESQ., do by hereby affirm upon my oath as arbitrator that I am the individual described herein and who executed this instrument, which is my oath and award.



Signature of Arbitrator

DATED:

5-3-91