

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant(s)

Margy M. Chohrach

90-02141

Name of Respondent(s)

Charles David Young
IDS Financial Services Inc.

REPRESENTATION

Claimant Margy M. Chohrach appeared pro se. Respondents IDS Financial Services, Inc. and David Young were represented by Steven A. Achelphol, Esq. of Schumacher and Achelphol.

CASE SUMMARY

In a Statement of Claim filed with the National Association of Securities Dealers, Inc. ("NASD") on or about August 3, 1990, Claimant Margy Chohrach alleged unsuitability of investments by Respondents David Young and IDS Financial Services, Inc. in that Respondents convinced Claimant to invest \$160,928 in Respondent IDS Financial Services, Inc.'s Extra Income Fund. The Fund was a low-grade bond fund. After learning of the risks associated with Junk Bond Investments, Claimant removed her investment from the Extra Income Fund and received \$121,015.

In a Statement of Answer filed with the NASD on or about December 4, 1990, Respondents David Young and IDS Financial Services, Inc. denied Claimant's allegations of unsuitability and alleged Claimant had full disclosure of all relevant facts and risks concerning her investments.

RELIEF REQUESTED

Claimant Mary M. Chohrach requested entry of an award against Respondents David Young and IDS Financial Services, Inc. in the sum of \$15,657. In addition, Claimant requested that Claimant be awarded any and all expenses and fees incurred in bringing this matter to arbitration.

Respondents requested that Claimant take nothing by the claim.

PROCEDURAL MATTERS

On July 24, 1991 in Omaha, Nebraska during a hearing lasting a total of 2 sessions, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed on July 20, 1990 by Claimant Margy M. Chohrach, on March 13, 1991 by David Young and on December 3, 1990 by Paul A. Wilstad on behalf of Respondent IDS Financial Services, Inc.

Respondents David Young and IDS Financial Services, Inc. having answered the claim, appeared and testified at the hearing and are bound by the determination of the arbitration panel on all issues submitted.

The parties have agreed that a handwritten, signed award may be entered. The parties have agreed to receive conformed copies of the award while the original remains on file with the NASD.

AWARD

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. Respondents David Young and IDS Financial Services, Inc. are jointly and severally liable to and shall pay to the Claimant the sum of \$1,262.97;
2. All parties hereto shall bear their own costs and fees associated with this arbitration except as follows below; and
3. Pursuant to Section 43(c) of the Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. shall retain the hearing session deposit in the amount of \$520.00 previously deposited with the NASD by the Claimant. The additional hearing session fee of \$400 shall be paid by the Respondents David Young and IDS Financial Services, Inc.

By the Panel

Dated: July 24, 1991

Roland Santoni
Presiding Chair
Public Arbitrator

Dated: July 24, 1991

Larry R. Trussel
Public Arbitrator

Dated: July 24, 1991

Mary K. Fay
Industry Arbitrator