

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

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In the Matter of the Arbitration Between

Name of Claimant

George G. Wood

90-02296

Name of Respondent

Donald Rory O'Rourke

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REPRESENTATION

For Claimant: John P. Connolly, Esq.

For Respondent: Robert Dougherty, Esq.

CASE INFORMATION

Statement of Claim filed: August 20, 1990.

Claimant's Submission Agreement signed on: September 21, 1990.

Statement of Answer filed by Respondent Donald Rory O'Rourke on: January 25, 1991.

Respondent Donald Rory O'Rourke's Submission Agreement signed on: January 22, 1991.

HEARING INFORMATION

Hearing Dates and Sessions: August 29, 1991, 2 Sessions  
August 30, 1991, 2 Sessions

Hearing Location: At the offices of the National Association of Securities Dealers, Inc. located in Washington, DC.

CASE SUMMARY

Claimant alleged that Respondent made misrepresentations of fact to the Claimant to induce him to invest in three limited partnerships: Parson's Run Associates, LTD., Paragon Business Park II Associates LTD. and Regency Apartments Associates Limited Partnership, knowing they were untrue and invested the Claimant's funds in these limited partnerships which were unsuitable for the Claimant. Claimant further alleged Respondent engaged in the recommendation for the purchase and sale of certain other clearly unsuitable investments and that the Respondent breached his fiduciary duty owed to the Claimant including written and oral agreements.

Respondent maintained that Claimant was a sophisticated investor and had given the Respondent discretionary authority to execute trades in the account and the Respondent discussed each trade with the Claimant prior to its execution. Respondent further maintained he made no misrepresentations of fact to the Claimant, and that all investments made for the Claimant were suitable for him and the losses in Claimant's account were due to circumstances beyond the control of the Respondent and not caused by any actions of the Respondent.

RELIEF REQUESTED

Claimant requested compensatory damages of \$220,000.00 plus interest from the date of the activities complained of up to the time of payment of the award, plus costs, NASD fees and attorneys' fees incurred by Claimant, that opportunity loss of use of investment funds damages be awarded against Respondent, punitive damages of \$250,000.00 and such other and further relief to which Claimant may be justly entitled as determined by the arbitration panel.

Respondent requested dismissal of the claim against him plus costs and attorneys' fees.

AWARD

After considering the pleadings, the testimony and the evidence presented at the hearing, the undersigned arbitrators have decided in full and final resolution of the issues submitted for determination as follows:

1. The Respondent Donald Rory O'Rourke be and hereby is liable and shall pay to the Claimant the sum of \$20,200.00 interest specifically excluded.
2. The Claimant's request for punitive damages is denied.
3. The parties shall each bear their respective costs, including attorneys' fees.

FORUM FEES

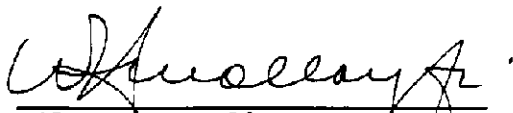
Pursuant to Section 43c of the Code of Arbitration Procedure, the following Forum Fees are assessed.


4 Sessions X \$750.00 = \$3,000.00 minus hearing session deposit of \$750.00 = net \$2,250.00.

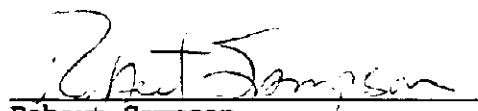
The Claimant George G. Wood be and hereby is liable and shall pay to the National Association of Securities Dealers, Inc. the sum of \$750.00 to represent forum fees and the Respondent Donald Rory O'Rourke be and hereby is liable and shall pay to the National Association of Securities Dealers, Inc. the sum of \$1,500.00 to represent forum fees.

The National Association of Securities Dealers, Inc. shall retain the \$200.00 claim filing fee previously deposited by the Claimant. Fees are payable to the National Association of Securities Dealers, Inc.

ARBITRATOR SIGNATURES

  
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William H. Malloy, Jr. Esq.  
Public Arbitrator

  
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Edward Statland, Esq.  
Public Arbitrator

  
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Robert Sampson  
Industry Arbitrator