

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Helen B. Kaufmann, Charlotte H. and Elmer W. Urban

Claimants

and

90-02528

Whytecliff Securities, Inc. et al.

Respondents

REPRESENTATION OF PARTIES

Claimants Charlotte H. and Elmer W. Urban appeared and were represented by Karen Lavin, Esq., McHenry, Illinois. Claimant Helen Kaufmann did not appear but was represented by Karen Lavin, Esq.

Respondent James Dobbs appeared pro se and on behalf of Respondent Woodfield Planning Corporation, Palatine, Illinois.

CASE SUMMARY

In a Statement of Claim filed with the National Association of Securities Dealers, Inc. ("NASD") on or about September 11, 1990, claimants Helen Kaufmann, Charlotte H. and Elmer W. Urban ("Claimants") alleged suitability and negligence in respondent Jim Dobbs ("Dobbs") placement of the claimant's money in funds. Specifically, claimants alleged that Dobbs' initial placement of the claimant's money into Government Plus Funds seemed reasonable under the circumstances, but the transfer of those funds to the Kemper Optim Income Fund and thereafter to the Diversified Income Fund were far too risky for claimant's investment goals.

Respondents James Dobbs and Woodfield Planning Corporation filed a joint Statement of Answer with the NASD on or about April 4, 1991 and denied the allegations of the claim. Dobbs alleged that the claimants read the prospectus and that he explained to them the investments and believed that claimants were satisfied with the fund. Dobbs alleged that he should not be liable for lost interest and profits. Dobbs further alleged that he did not advise changing funds but rather explained options.

#### RELIEF REQUESTED

Claimants originally requested actual damages in the amount of \$18,092 plus interest. The request was amended upon agreement from the panel to \$9,000.

Respondents James Dobbs and Woodfield Planning Corporation requested that the claims be denied and that they be released from all liability.

#### OTHER ISSUES

The following respondents were dismissed by claimants: FSC Securities Corporation, Investors Brokerage Services, Inc., Kemper Financial Services, Inc., and Integrated Resources Equity Corp.

Service of the claim was not effected on respondent Whytecliffe Securities, Inc. because of an improper address. There is no submission agreement or answer from them.

#### PROCEDURAL MATTERS

On October 24, 1991 in Chicago, Illinois during a hearing lasting a total of one session, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed on August 30, 1990 by Claimants Helen B. Kaufmann, Charlotte Urban and Elmer Urban, and on February 20, 1991 by James Dobbs on behalf of Respondents Woodfield Planning Corporation and James Dobbs.

The parties have agreed that the Award in this matter may be executed in counterpart copies or that a handwritten, signed Award may be entered. In either case, the parties have agreed to receive conformed copies of the award while the original(s) remain 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. The claim shall be and hereby is denied in its entirety as to respondents James Dobbs and Woodfield Planning Corporation; and,

2. 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 \$400 previously deposited with the NASD by the claimant.

Dated:

10-24-91

s/s

Alan S. Farnell, Esq.  
Presiding Chair  
Public Arbitrator

10-24-91

s/s

Haralyn H. Isaac, Esq.  
Public Arbitrator

10-24-91

s/s

Sharon A. Mehr  
Industry Arbitrator

NASD served: 11/27/91