

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between :
Mike and Kevin Pfluke :

Claimant :

vs. :

Lee W. Farrow, Jr. :
Parsons Securities, Inc. :

Respondents :

CASE #91-00091
AWARD

CASE SUMMARY

Mike and Kevin Pfluke, Pro Se, in a claim filed with the National Association of Securities Dealers, Inc. on January 8, 1991, alleged that Respondent, Lee W. Farrow at Parsons Securities, Inc. misrepresented the value of National Service Contracts, Inc. stock. Claimants allege fraud and theft of their money.

Respondent, Parsons Securities, Inc. by Roger L. Parsons, Pres., filed an Answer to the claim May 13, 1991 even though he states that Parsons Securities, Inc. filed for Chapter 7 Bankruptcy on January 4, 1991. Mr. Parsons maintained that Parsons Securities, Inc. does not take stop loss orders for any Over-the-Counter traded stock. He continued that Claimant states that there is a recorded conversation of Mr. Farrow guaranteeing the price of Ninety-Five Cents (95) per share and requests that they produce that tape.

Lee W. Farrow, Jr. did not respond to the Statement of Claim.

RELIEF REQUEST

Claimant requests damages of Five Thousand Three Hundred Dollars and No Cents (\$5,300.00).

AWARD

Pursuant to Section 13 of the National Association of Securities Dealers, Inc. Code of Arbitration Procedure, a single Public Arbitrator, J. Clark Winslow, was selected to review and


determine the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimants on February 6, 1991 and by the Respondent Parsons Securities, Inc. on May 8, 1991 but not by Respondent Lee Farrow, Jr. as required by Section 13(d) of the Code of Arbitration Procedure.

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 Respondent Parsons Securities, Inc. is liable and shall pay to the Claimants, Mike and Kevin Pfluke, the sum of Five Thousand Three Hundred Dollars and No Cents (\$5,300.00) reduced by the proceeds obtained from any past or future sale of Claimant's National Service Contracts, Inc. stock.
2. That the Claim against Lee W. Farrow, Jr. be, and hereby is, dismissed.
3. The One Hundred Fifty Dollars and No Cents (\$150.00) filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimants shall be retained by the NASD, Inc.

AFFIRMATION

I, J. CLARK WINSLOW, do 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:

8/19/91