

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Oscar M. Schapiro

91-01692

Name of Respondent

Jacob Pearce, Jr.

REPRESENTATION

For Claimant: The Claimant appeared pro se.

For Respondent: The Respondent was represented by John R. Gilner, Esq.

CASE INFORMATION

Statement of Claim filed: May 31, 1991.

Claimant's Submission Agreement signed on: June 14, 1991.

Statement of Answer filed by Respondent Jacob Pearce, Jr. on: July 31, 1991.

Respondent Jacob Pearce's Submission Agreement signed on: July 30, 1991.

HEARING INFORMATION

Hearing Date/Session: December 17, 1991- One Session.

Hearing Location: Baltimore, MD

CASE SUMMARY

Claimant alleged that the Respondent invested his funds in Mesa Limited

Partnership Cumulative Preference Units which was an unsuitable investment for him and further alleged the Respondent failed to state material facts and made misrepresentations of facts to him. Furthermore, Claimant requested that he be permitted to amend his claim subsequent to the hearing.

Respondent maintained he did not make any misrepresentations to the Claimant and he believed the investments to be suitable for Claimant in that when he made the recommendation to the Claimant he considered it to be an attractive growth vehicle to participate in the natural gas industry and considered the current yield and cumulative preference to meet Claimant's income investment objectives. Respondent further maintained depressed natural gas prices and numerous subsequent factors have led to the decline in the market value of Claimant's investment and the amount Claimant is claiming in losses is inappropriate.

RELIEF REQUESTED

Claimant requested damages of \$11,352.81.

Respondent requested that the Claimant's claim be denied and dismissed.

AWARD

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

1. The Respondent be and hereby is liable and shall pay to the Claimant the sum of \$2,000.00 inclusive of interest.
2. The Claimant's request to amend his claim is denied.
3. Each party shall bear their respective costs including attorneys fees.

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FORUM FEES

Pursuant to Section 43c of the Code of Arbitration Procedure the National Association of Securities Dealers, Inc. shall retain the \$400.00 filing fee previously deposited by the Claimant.

ARBITRATOR SIGNATURE

Name

Public/Industry

Perry E. Wallace, Jr., Esq.
Perry E. Wallace, Jr., Esq.

Public

Date of Decision: January 22, 1992