

## NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

-----

In the Matter of the Arbitration Between	:	
Pamela A. Zimmerman	:	
	:	
Claimant	:	
	:	CASE #92-00342
vs.	:	AWARD
	:	
Murphy Favre, Inc.	:	
William Newkirk	:	
	:	
Respondents	:	

-----

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on January 30, 1992, Claimant Pamela A. Zimmerman, through her counsel, Charles Ray Byrd, Esq., of Centralia, WA, alleged that Respondents Murphy Favre, Inc. and William Newkirk misrepresented facts regarding Homestead Savings Debentures, causing her to invest in them. The Claimant further argued that these were in fact "Junk Bonds", which were not in accordance with her investment objectives and needs, and that she never would have invested in this security had she known what it was. The Claimant contended that she was not warned that the potential existed for losing the whole investment, and that because the Respondents had a duty to do so, they are liable for her losses.

Respondents Murphy Favre, Inc. and William Newkirk, through their representative, Perry Atkins; maintained that the Claimant was advised of the risks in switching to the Homestead bonds for greater potential income and chose to assume these risks, and that despite the current market value for Homestead, the Claimant has gained money in her IRA since it has appreciated with other investments.

RELIEF REQUESTED

Claimant Pamela A. Zimmerman requested \$7,000.00 in actual damages, plus costs and attorney's fees.

Respondents Murphy Favre, Inc. and William Newkirk requested the claims of the Claimant be dismissed.

AWARD

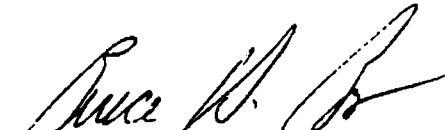
Pursuant to Section 13 of the National Association of Securities Dealers, Inc. Code of Arbitration Procedure, a single Public Arbitrator, Bruce H. Benson, was selected to review and determine the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimant on January 24, 1992, by the Respondent Murphy Favre, Inc. on May 8, 1992 and by the Respondent William Newkirk on July 23, 1992.

And, 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. The claims of the Claimant Pamela A. Zimmerman against Respondents Murphy Favre, Inc. and William Newkirk are dismissed in their entirety.
2. The parties shall bear their respective costs, including attorney's fees.
3. The \$150.00 filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimant shall be retained by the NASD, Inc.

AFFIRMATION

I, **BRUCE H. BENSON**, 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

DATE OF DECISION:     October 30, 1992