

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimants

Kurt Bronner
Rosalie Bronner

NASD Arbitration
No. 92-01857

Name of Respondents

Yaeger Securities
John Barrett
Norma Yaeger

REPRESENTATION

For Claimant: Robert M. Roth - Investors Arbitration Services, Inc.

For Respondent: H. Tom Fehn, Esq.- Fields, Fehn & Sherwin - Los Angeles,
California

CASE INFORMATION

Statement of Claim filed: June 3, 1992

Claimant's Submission Agreement signed: May 8, 1992

Statement of Answer filed by Respondents: Yaeger Securities and Norma Yaeger:
August 3, 1992

Statement of Answer filed by Respondent, John Barrett, July 7, 1992

Respondent, John Barrett's Submission Agreement signed: June 29, 1992

HEARING INFORMATION

Pre-Hearing Conference:	May 20, 1993	-	One Session
Hearing Dates/Sessions:	June 24, 1993	-	Two Sessions
	June 25, 1993	-	Three Sessions
	July 7, 1993	-	Two Sessions

Hearing Location: Los Angeles, California

CASE SUMMARY

Claimants, Kurt Bronner and Rosalie Bronner (Bronners) alleged that Respondents, Yaeger Securities, Inc., John Barrett and Norma Yaeger, (Respondents), engaged in an unlawful course of conduct pursuant to which they knowingly and recklessly made representations and recommendations which acted as fraud upon the Bronner and induced the Bronners into entering speculative limited partnership and real estate investments. Said investments were unsuitable for the Bronners in light of their investment objectives of income and safety.

Respondent, John W. Barrett, alleged that he never was employed by Yaeger Securities and never made any misrepresentations to the Bronners regarding their investments at Yaeger.

Respondents, Yaeger Securities, Inc. and Norma Yaeger, alleged that all the various investments made by the Claimants were accompanied by appropriate suitability questionnaires and financial information statements and that the Claimants made representations to the Respondents which gave Respondents reasonable grounds to believe they were suitable.

RELIEF REQUESTED

Claimants seek compensatory damages of \$182,900.00 plus interest, for costs and punitive damages.

Respondents request dismissal of the claim in its entirety plus costs.

OTHER ISSUES CONSIDERED & DECIDED

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 originals remain on file with the NASD.

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. Respondents, Yaeger Securities, Inc., Norma Yaeger and John Barrett, are jointly and severally liable and shall pay to Claimants, Kurt Bronner and Rosalie Bronner, the sum of Forty Thousand Dollars and No Cents (\$40,000.00).
2. Claimants' claim for interest is denied.
3. Claimants' claim for punitive damages is dismissed.
4. The parties shall each bear their respective costs and fees including attorneys'/representation fees.
5. The NASD shall retain all fees and deposits.

FORUM FEES

Pursuant to Section 43c of the Code of Arbitration Procedure, the following forum fees are assessed:

Claimants, Kurt Bronner and Rosalie Bronner, are assessed the sum of \$2,000.00 representing one-half of the total fees assessed of \$5,550.00, less credit or a previous deposit of \$750.00.

Respondents, Yaeger Securities, Inc., Norma Yaeger and John Barrett are jointly and severally assessed the sum of \$2,750.00, representing one-half of the total fees assessed.

Fees are payable to the National Association of Securities Dealers, Inc.

ARBITRATORS

<u>Name</u>	<u>Public/Industry</u>
Diana G. Davis, Esq.	Industry Panelist
Audrey H. Ruben, Esq.	Public Chairperson
Ruben A. Vassolo, Esq.	Public Panelist

Concurring Arbitrators' Signatures

Audrey H. Ruben

Date of Decision: _____