

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Norman Stamm

92-04209

Name of Respondent

Chatfield Dean & Company, Inc.

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on December 16, 1992, Claimant Norman Stamm, who appeared Pro Se, alleged that Respondent Chatfield Dean & Co., Inc. misrepresented to him that Royce Laboratories, Inc. stock was going to double in value, because a new drug it developed was about to be FDA approved, but it decreased in value instead. The Claimant further alleged that he was not informed of problems this company had in the past, that this was not a suitable investment for him, and that it did not meet his investment needs. The Claimant contended that Respondent Chatfield Dean & Company, Inc. should be held liable for the loss he has incurred.

Respondent Chatfield Dean & Co., Inc., through its in-house counsel, Christa D. Taylor, Esq., maintained that this investment was not misrepresented to the Claimant, nor was any information withheld from him. The Respondent further maintained that it was led to believe the Claimant's net worth was over one million dollars, and that his investment goal was "speculation". Respondent Chatfield Dean & Co., Inc. contended that the loss incurred by the Claimant is not due to any misrepresentations or negligence on their part, and therefore, it should not be held liable in this matter.

RELIEF REQUESTED

Claimant Norman Stamm requested \$9,568.00 in actual damages.

Respondent Chatfield Dean & Co., Inc. requested that 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, Clyde Fahlman, was selected to review and determine the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimant on December 8, 1992 and by the Respondent on March 2, 1993.

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. Respondent Chatfield Dean & Co., Inc. is liable and shall pay \$3,300.00 in actual damages to Claimant Norman Stamm.
2. The parties shall bear their respective costs.
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. Respondent Chatfield Dean & Co., Inc. is liable and shall pay \$150.00 to the Claimant as reimbursement of the filing fee.

AFFIRMATION

I, CLYDE FAHLMAN, 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: July 23, 1993