

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimants

Ronald C. and Helen D. Manning

93-00003

Name of Respondents

F.N. Wolf & Co., Inc.
Jeffrey J. Frye

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on January 4, 1993, Claimants Ronald C. and Helen D. Manning, who appeared Pro Se, alleged that Respondent Jeffrey J. Frye, Account Executive of Respondent F.N. Wolf & Co., Inc. continually misled them concerning the worth and actions of the stocks they purchased; and misled them as to their requests for buy/sell transactions whereby Respondent Jeffrey J. Frye recommendations for purchasing stocks did not meet their conservative specifications laid out to Respondents. Claimants further alleged that they met with Respondent Jeffrey J. Frye on January 19, 1991 when they told him their conservative attitude toward investing and that they were investing for college expenses and retirement. Claimants contended that Respondent Jeffrey J. Frye informed them that every once in a while he came across an excellent opportunity for investment and assured Claimants that he understood their objectives whereby that would be one of his primary concerns. Claimants further contended that they had been convinced to purchase Whitman Medical, Nacoma Consolidated Industries, Gentner Communications Corporation, Noise Comm Incorporated, Acorn Venture Recreation, Grand Casinos, and Digital Products Corporation. Claimants asserted that when they called about buying a stock and if any hesitation occurred on their part, various high pressure sales pitches took place. Claimants further asserted that when they agreed to buy stock at a set amount of money, it was never enough and if Claimants came up with some additional funds; it seemed they entered into the "old bait and switch game". Claimants further alleged that it appeared that in most cases that Claimants were buying high and holding onto the stock no matter how low they would go, and when Claimants questioned the Respondent Jeffrey J. Frye continued to reassure them. Claimants further contended that because of Respondents' actions they lost \$10,000.00 in their account.

Respondents F.N. Wolf & Co., Inc. and Jeffrey J. Frye, by and through their counsel James C. Cosby of Maloney, Yeatts & Barr, Richmond, VA, maintained that the stocks Claimants Ronald C. and Helen D. Manning purchased were completely consistent with their investment objectives. Respondents further maintained that Claimants chose repeatedly to continue investing after being fully informed both orally and in writing, of market risks and stock performance before, during and after each trade. Respondents contended that based on Claimants' income, objectives and experience, each investment was consistent with their stated objective, and they were fully capable of making any decision with regard to each investment and any service performed by Respondents were the result of and in accordance with Claimants instructions after a full discussion with the investment advisor.

Respondents F.N. Wolf & Co., Inc. and Jeffrey J. Frye further asserted a request for a Hearing in this matter.

RELIEF REQUESTED

Claimants Ronald C. and Helen D. Manning requested \$10,000.00 in actual damages.

Respondents F.N. Wolf & Co., Inc. and Jeffrey J. Frye requested the claim be dismissed.

AWARD

Pursuant to Section 13 of the National Association of Securities Dealers, Inc. Code of Arbitration Procedure, a single Public Arbitrator, Janet Thomas Johnson, was selected to review and determine the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimants on December 29, 1992 and by the Respondents on March 2, 1993.

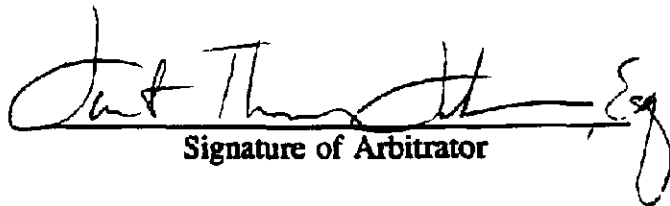
And, the Arbitrator, having considered the proof of the Parties, has decided and determined in full and final resolution of the issues submitted for determination as follows:

1. The Respondents' Request for a Hearing is hereby denied.
2. The claim of Claimants Ronald C. and Helen B. Manning against Respondents F.N. Wolf & Co., Inc. and Jeffrey J. Frye is dismissed.
3. The parties shall bear their respective costs.

4. The \$150.00 filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimants Ronald C. and Helen D. Manning shall be retained by the NASD, Inc. Respondents F.N. Wolf & Co., Inc. and Jeffrey J. Frye are liable and shall pay to the Claimants the sum of \$150.00, as reimbursement.

AFFIRMATION

I, JANET THOMAS JOHNSON, 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