

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Paul G. Korte

93-00431

Name of Respondent

Kober Financial Corporation

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on February 4, 1993, Claimant Paul G. Korte, through his counsel W. Woody Schlosser, Esq. of Puricelli & Schlosser, St. Louis, MO, alleged that Respondent Kober Financial Corp., through its registered representative, Doug Teerlink, misled the Claimant into investing in Galtec stock by assuring him this was a safe investment with little risk. The Claimant further alleged that the Respondent concealed the unsuitable nature of Galtec and misrepresented this investment for two years after the investment was made, and that the Respondent should be held liable for the loss he has incurred due to their negligence.

Respondent Kober Financial Corporation, through its representative, Peter M. Bowinski, maintained that the Claimant did not purchase any securities through this firm and that the only transaction the Claimant ever effected through this firm was the sale of his shares of Galtec stock. The Respondent further maintained that it had nothing to do with the Claimant's purchase of Galtec and that, therefore, it cannot be held liable for actions that may or may not have occurred through Douglas Teerlink, who was employed by another firm at the time these transactions were effected.

RELIEF REQUESTED

Claimant Paul Korte requested \$5,110.00 in actual damages, plus interest and costs in the amount of \$2,398.27.

Respondent Kober Financial Corporation 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, George Kasserman, was selected to review and determine the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimant on November 16, 1992 and by the Respondent on July 12, 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 claims of the Claimant Paul G. Korte against Respondent Kober Financial Corporation are dismissed in their entirety.
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.

AFFIRMATION

I, GEORGE KASSERMAN, 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.



George Kasserman

DATE OF DECISION: September 9, 1993

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REPORT OF ARBITRATOR

This matter has been dismissed in accordance with Section 15 of the NASD Code of Arbitration Procedure.

George Karsen