

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant(s)

Carol Thatcher

PUBLIC

93-00828

Name of Respondent(s)

The Ohio Company
Bill R. Dodds

REPRESENTATION

For Claimant Carol Thatcher: Joseph Spiegel, Esq., sole practitioner, Southfield, Michigan.

For Respondents The Ohio Company and Bill Dodds: James Francis, in-house counsel for the Ohio Company, Columbus, Ohio.

CASE INFORMATION

Statement of Claim filed: March 3, 1993.

Claimant's Submission Agreement signed on: February 9, 1993.

Joint Statement of Answer filed by Respondents The Ohio Company and Bill Dodds on: May 5, 1993.

Respondent The Ohio Company's Submission Agreement signed on: May 5, 1993.

Respondent Bill Dodds' Submission Agreement signed on: May 5, 1993.

HEARING INFORMATION

Hearing Dates/Sessions: September 29, 1993 / (pre-hearing conference)
October 11, 1993 / Two Sessions
October 12, 1993 / Two Sessions

Hearing Location: Embassy Suites, in Columbus, Ohio.

CASE SUMMARY

Claimant alleged that when she filed for divorce in January 1987, Claimant was without investment counsel or financial advice and at that time turned to Respondent Bill Dodds and Respondent The Ohio Company for investment advice and assistance. Claimant alleged that Respondents were aware that Claimant was an unsophisticated investor who had no prior investment experience and Respondents were told the money brought for investment was Claimant's sole source of support. Claimant alleged that Respondent Dodds proceeded to recommend and caused Claimant's account to purchase Brunner Companies, Pichett Suite Hotels, LP and North Indianapolis Venture L.P., highly speculative real estate partnerships which were totally unsuitable and improper for Claimant's account. Claimant alleged that Respondents made no effort to properly advise Claimant as to the nature of the investments and the risks involved. Claimant alleged that Respondents made material misrepresentations of fact regarding the safety and security of the investments, and failed to properly supervise their employees. Claimant further alleged that Respondents violated 1934 Act provisions, the Securities Act of 1933, Ohio Blue Sky Laws, committed frauds and breach of fiduciary duty.

Respondents maintained Claimant is not unsophisticated and she received a full explanation of each investment as well as a prospectus for each investment. Respondents further alleged Claimant far exceeded any of the suitability standards for the named investments and her account was yielding well over 9% a year from the whole list of investments Claimant purchased through Respondents.

RELIEF REQUEST

Claimant requested \$100,000.00, interest, exemplary damages, treble damages under RICO, cost, attorneys' fees.

Respondents requested all claims be denied, all forum costs against Claimant, attorneys' fees.

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 The Ohio Company and Bill Dodds be and hereby are liable, jointly and severally, and shall pay Claimant Carol Thatcher the sum of \$35,000.00, inclusive of interest.
2. Each party shall bear their own costs including attorneys' fees.
3. Respondents be and hereby are liable, jointly and severally, and shall pay Claimant the sum of \$950.00 to represent filing fees.

FORUM FEES

Pursuant to Section 43c of the Code of Arbitration Procedure, the following Forum Fees are assessed:

4 sessions x \$750.00 + \$300.00 (pre-hearing conference) = \$3,300.00
less \$750.00 hearing session deposit = \$2,550.00 net due.

Forum Fees Assessed Against:

Respondent The Ohio Company and Bill Dodds be and hereby are liable, jointly and severally, and shall pay the NASD the sum of \$2,550.00 to represent forum fees.

The NASD shall retain the \$200.00 filing fee and \$750.00 hearing session deposit previously deposited by Claimant.

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

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ARBITRATORS' SIGNATURE

Jerome B. Haddox, Esq.
Public Arbitrator

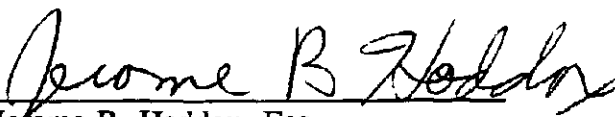


Ahmed Seif Amragy
Public Arbitrator

Robert A. Greenberg
Industry Arbitrator

Date of Decison: November 3, 1993

ARBITRATORS' SIGNATURE



Jerome B. Haddox, Esq.
Public Arbitrator

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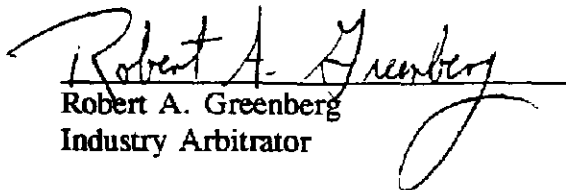
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