

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

Name of Claimant

Ronald E. Nielsen

No. 93-01844

Name of Respondent

Dickenson & Co.
f/k/a R. G. Dickenson & Co.

REPRESENTATION OF PARTIES

For Claimant: Bruce Pearson of Pearson, Inc., Fargo, North Dakota.

For Respondent: Catherine A. Gnatek, Esq., of Dorsey & Whitney, Minneapolis, Minnesota.

CASE INFORMATION

Statement of Claim filed on or about: May 6, 1993.

Claimants' Submission Agreement signed: March 15, 1993.

Statement of Answer and Third Party Claim filed by Respondent on or about: July 2, 1993.

Respondent's Submission Agreement signed: June 29, 1993.

Answer to Statement of Claim filed on or about: September 20, 1993.

Withdrawal of Third Party Claim filed on or about: September 20, 1993.

HEARING INFORMATION

Hearing date: December 14, 1993. Three (3) sessions.

Hearing Location: Omaha, Nebraska.

CASE SUMMARY

Claimant, Ronald E. Nielsen ("Claimant") alleged that under Rule 10b-5 of the Securities Act that Respondent R. G. Dickenson n/k/a Dickenson & Co. ("Respondent") failed to perform adequate due diligence, made misleading statements, omitted material facts, and breached their fiduciary responsibility to the Claimant. Claimant further alleged that had the Signal Natural Gas Partners, a limited partnership, ("SNGP") investment properly represented to the Claimant, Claimant would not have made the investment.

In its Answer, Respondent, unless specifically admitted therein, denied each and every allegation contained in the Statement of Claim. In addition, Respondent asserted the following affirmative defenses:

1. The Statement of Claim fails to state a claim upon which relief may be granted.
2. Claimant's claim is barred by the doctrine of waiver.
3. Claimant's claim is barred by the doctrine of estoppel.
4. Claimant has suffered no damages as a result of any alleged wrongful actions or inaction on the part of Respondent.
5. Claimant's claims are barred or reduced by reason of his own negligence and failure to exercise such due diligence with respect to his investments as would be expected of a reasonable person under the circumstances.
6. Claimant's losses, if any, were caused or contributed to by the acts of Signal and its personnel over whom Respondent did not have control and for whom Respondent is not liable.
7. Bruce Pearson lacks standing or legal authority to bring this action or to represent Claimant.

RELIEF REQUESTED

Claimant requested return of principal in the amount of \$50,000.00, interest at the rate of 7%, filing fees in the amount of \$650.00, and representative costs in the amount of \$5,000.

Respondent requested that all of Claimant's claims and allegations of damages against Respondent be dismissed and that Bruce Pearson reimburse Respondent for all its reasonable fees and expenses.

OTHER ISSUES CONSIDERED & DECIDED

On December 9, 1993, Claimant made a request that this arbitration be moved from Omaha, Nebraska to Minneapolis, Minnesota. Respondents objected to the request. On December 10, 1993 notice of the panel's denial of Claimant's Request was sent to the parties.

The parties have agreed that the Award in this matter may be executed by 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 original(s) 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. Claimant, Ronald E. Nielsen's claims against Respondent Dickenson & Co. are hereby denied and dismissed with prejudice.

OTHER COSTS

Each party shall pay its own costs and expenses associated with this arbitration, including attorneys' fees and representative's fees, except as set forth below.

FORUM FEES

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

3 hearing sessions x \$500.00 = \$1,500.00

Pursuant to Section 43(c) of the Code, the NASD shall retain the nonrefundable filing fee in the amount of \$150.00, and shall RETAIN the hearing session deposit in the amount of \$500.00 previously paid to the NASD by the Claimant.

Additional forum fees in the amount of \$500.00 are assessed against Claimant.

Additional forum fees in the amount of \$500.00 are assessed against Respondent.

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

CONCURRING ARBITRATORS

Dated:

Name:

December 23, 1993

Robert Berkshire
Robert Berkshire
Presiding Chair
Public Arbitrator

December 23, 1993

Donald J. Wagner
Donald J. Wagner
Industry Arbitrator

December 23, 1993

Richard M. Duxbury
Richard M. Duxbury
Public Arbitrator

Date of Service by the NASD: December 31, 1993