

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

Name of Claimants

David A. McInnes
Laura L. McInnes

No. 93-01888

Name of Respondent

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

REPRESENTATION OF PARTIES

For Claimants: 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 10, 1993.

Claimants' Submission Agreement signed: April 29, 1993.

Statement of Answer filed by Respondent on or about: July 12, 1993.

Respondent's Submission Agreement signed on: July 8, 1993.

HEARING INFORMATION

Hearing date: January 10, 1994. Two (2) sessions.

Hearing Location: Omaha, Nebraska.

CASE SUMMARY

Claimants, David A. McInnes and Laura L. McInnes ("Claimants") alleged, under Rule 10b5 of the Securities Act that Respondent, R.G. Dickenson & Co. n/k/a Dickenson &

omitted material facts, and breached their fiduciary responsibility. The allegations arose from the purchase of a partnership interest in Signal Natural Gas Partners ("SNG") in 1990.

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

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

RELIEF REQUESTED

Claimant requested an award against Respondent of: \$12,500.00 return of principal interest at the rate of seven (7) percent; filing fees in the amount of \$500.00; and Representative costs of \$1,250.00.

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

OTHER ISSUES CONSIDERED & DECIDED

During the course of the hearing, Respondent made a Motion to Dismiss. After hearing argument from the parties, and deliberation, the panel took the motion under advisement until after the close of testimony. At the close of testimony, the panel made a determination that Respondent's Motion to Dismiss would be granted. The parties were informed of the arbitrators' ruling at the hearing.

The original decision of the panel will be kept on file with the NASD. The parties shall receive a conformed copy of the formalized decision.

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:

Claimants, David A. McInnes' and Laura L. McInnes' claims against R.G. Dickenson, n/k/a Dickenson & Co. are hereby denied and dismissed with prejudice.

OTHER COSTS

Each party shall bear its own costs and expenses associated with this arbitration, including representative's and attorney's fees.

FORUM FEES

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

2 hearing sessions x \$400.00 = \$800.00

Pursuant to Section 43(c) of the Code, the NASD shall retain the nonrefundable filing fee in the amount of \$100.00, and shall RETAIN the hearing session deposit in the amount of \$400.00 previously paid to the NASD by the Claimant.

Additional Forum Fees in the amount of \$400.00 are assessed against Claimants.

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

CONCURRING ARBITRATORS

Dated:

Name:

January 19, 1994

/s/John P. Miller
John P. Miller
Presiding Chair
Public Arbitrator

January 17, 1994

/s/Michael A. Rzewnicki
Michael A. Rzewnicki
Industry Arbitrator

January 26, 1994

/s/Norman Veitzer
Norman Veitzer
Public Arbitrator

Date of Service by the NASD: 1-28-94