

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Inger Wilson

93-02451

Name of Respondent

R A F Financial Corporation

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on June 22, 1993, Claimant Inger Wilson, who appeared Pro Se, alleged that Respondent RAF Financial Corporation, through its broker, P. Paxton, failed to provide information concerning the forthcoming default of her investment, City of LaCrosse, WI 12 3/4 % Pollution Control Revenue Bond, Series A, which occurred due to the Chapter 11 bankruptcy of its obligor, Heileman Brewing Company. The Claimant contended that due to the negligence of the Respondent, she has suffered damages that she is entitled to recover.

Respondent RAF Financial Corp., through its in-house counsel, Russell C. Burk, Esq., maintained that the Claimant had previous investment experience and she was also well aware of the risks involved in purchasing these Bonds. The Respondent further maintained that the Claimant received bondholder distributions from the bankruptcy trustee and from RAF, and that it cannot guarantee an individual's account against loss on investments, and therefore, this claim against them should be dismissed.

In a reply to the Statement of Answer, the Claimant refuted the defenses of the Respondent, reiterated that she was not provided with relevant information on this investment and requested that she be compensated for her loss.

In a supplement to its answer, Respondent RAF Financial Corp. contended that it had no knowledge of the pending bankruptcy, and that the Claimant is attempting to shift the risk of her investment on to RAF without justification.

RELIEF REQUESTED

Claimant Inger Wilson requested \$9,547.84 in actual damages, plus \$3,187.50 for lost interest and return of the NASD filing fee.

Respondent RAF Financial Corp. requested that the claims of the Claimant be dismissed.

OTHER ISSUES CONSIDERED & DECIDED

The Respondent RAF Financial Corp.'s request for a hearing in this matter is denied.

AWARD

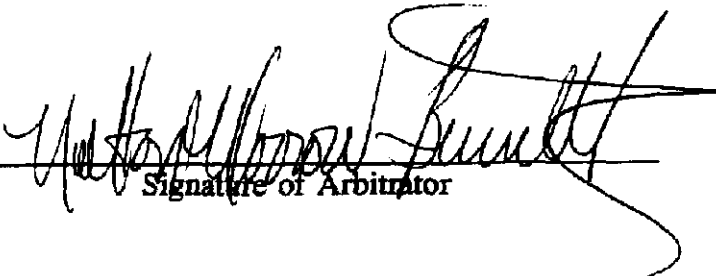
Pursuant to Section 13 of the National Association of Securities Dealers, Inc. Code of Arbitration Procedure, a single Public Arbitrator, Nalton Morrow Bennett, Esq., was selected to review and determine the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimant on May 3, 1993 and by the Respondent on July 16, 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 Inger Wilson against Respondent RAF Financial Corp. 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, **NALTON MORROW BENNETT, ESQ.**, 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: October 26, 1993