

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Lise B. Wilson

93-02453

Name of Respondent

RAF Financial Corp.

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on June 22, 1993, Claimant Lise B. Wilson, who appeared Pro Se, alleged that Respondent RAF Financial Corp. misled her into purchasing 5 City of LaCrosse, WI, Pollution Control Revenue Bonds, Series A, and that the broker who sold her this investment provided no information concerning the fact that the Heileman Brewing Co. was the obligor, nor about the risk attached to this particular bond. Claimant Lise B. Wilson contended that the true status of the obligor must have been evident at the time it was sold to her, and that due to the fact that the Respondent failed to disclose this information, it should be held liable in this matter.

Respondent RAF Financial Corp., through its General Counsel Russell C. Burk, Esq., maintained that this was an authorized transaction which met her investment objectives, and further that the Claimant knew the risks of investing in this particular type of high-yield bond. The Respondent contended that it had no advance warning that the company was going to file bankruptcy and should not be held liable in this matter.

In a reply to the answer, the Claimant refuted the defenses of the Respondent and requested that she receive the return of her investment.

RELIEF REQUESTED

Claimant Lise B. Wilson requested \$4,771.25 in actual damages, plus \$1,595.75 in lost interest, along with costs and fees.

Respondent RAF 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, Brian G. Mooney, 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 September 3, 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 Lise B. Wilson against Respondent RAF Financial Corp. are dismissed in their entirety.
2. The parties shall bear their respective costs.
3. The \$125.00 filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimant shall be retained by the NASD, Inc.

AFFIRMATION

I, **BRIAN G. MOONEY, 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: January 18, 1994