

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

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In the Matter of the Arbitration Between

Name of Claimants

Belinda C. Anderson

93-04148

Name of Respondents

Merrill Lynch, Pierce, Fenner & Smith, Inc.

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**CASE SUMMARY**

In a claim filed with the National Association of Securities Dealers, Inc. on October 6, 1993, Claimant Belinda C. Anderson, who appeared Pro Se, alleged that she purchased seven shares of Arvida/JMB Partners Limited Partnership ("Arvida L.P.") on October 5, 1987 from Respondent Merrill Lynch, Pierce, Fenner & Smith, Inc. Claimant further alleged that she told her broker at Respondent she was not a risk taker and did not wish to jeopardize any of her assets with unsure investments. In her response to Respondent's Statement of Answer, Claimant contended her broker at Respondent may have been misled or misinformed by Respondent. As a result of the above, Claimant alleged that she has suffered damages for which the Respondent should be held liable.

Respondent Merrill Lynch, Pierce, Fenner & Smith, Inc., through its in-house representative Kathleen A. Cromie, New York, New York, maintained that upon opening her account with Respondent, Claimant advised it that she had a net worth of approximately \$200,000.00, and was looking for capital appreciation and income from good quality, investment grade, and to a lesser extent, speculative investments. Respondent further maintained that its broker presented the Arvida L.P. to Claimant and explained to her the material elements of the offering. Respondent contended that Claimant's investment in the Arvida L.P. represented approximately 3.5% of her net worth. Respondent contended that Claimant received a prospectus detailing the Arvida L.P. Respondent further contended that Claimant has received approximately \$2,240.00 in cash distributions from this investment. Respondent maintained that Claimant still owns the Arvida L.P.

units and that they still have value. As a result of the above, Respondent contended that it should not be held liable in this matter.

### **RELIEF REQUESTED**

Claimant Belinda C. Anderson requested \$7,000.00 in actual damages, plus 5 % interest per annum.

Respondent Merrill Lynch, Pierce, Fenner & Smith, Inc. requested that the Claimant's Statement of Claim be dismissed in its entirety, and that the cost of this proceeding be assessed against the Claimant.

### **AWARD**

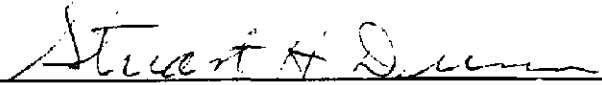
Pursuant to Section 13 of the National Association of Securities Dealers, Inc. Code of Arbitration Procedure, a single public arbitrator, Stuart H. Dunn, was selected to review and determine the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimant on September 29, 1993 and by the Respondent on January 24, 1994.

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 Claimant Belinda C. Anderson against Respondent Merrill Lynch, Pierce, Fenner & Smith, Inc. 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. Respondent Merrill Lynch, Pierce, Fenner & Smith, Inc. is liable and shall pay to Claimant Belinda C. Anderson \$150.00 as reimbursement of the filing fee.

**AFFIRMATION**

I, **STUART H. DUNN**, do hereby affirm upon my oath of arbitrator that I am the individual described herein and who executed this instrument, which is my oath and award.

A handwritten signature in cursive script, reading "Stuart H. Dunn", is written over a horizontal line.

Signature of Arbitrator

**DATE OF DECISION:** August 31, 1994