

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between

Name of Claimants

Richard D. Brown and Elizabeth H. Brown

93-5155

Names of Respondents

B.C. Ziegler & Co. and Curt Mahnke

REPRESENTATION

Claimant Richard D. Brown ("Brown") appeared at the hearing on behalf of himself and his wife Elizabeth H. Brown.

Respondents B.C. Ziegler & Co. ("Ziegler") and Curt Mahnke ("Mahnke") were represented at the hearing by David Edquist, Esq., of Gibbs, Roper, Loots & Williams, S.C., of Milwaukee, Wisconsin.

CASE INFORMATION

The Statement of Claim was filed on February 23, 1994. A Submission Agreement was signed by the Browns on December 9, 1993.

A Joint Statement of Answer was filed with the NASD by Respondents Ziegler and Mahnke on or about April 27, 1994. A Submission Agreement was signed by Ziegler and Mahnke on April 19, 1994.

HEARING INFORMATION

The hearing was held on December 19, 1994, for two (2) sessions in Milwaukee, Wisconsin.

CASE SUMMARY

In the Statement of Claim, the Browns alleged that Respondents Ziegler and Mahnke made misrepresentations and failed to properly advise them in connection with a purchase made by the Browns in May of 1989 of \$96,000.00 worth of bonds issued by the Elderly Housing Authority of the City of Racine.

In their Answer, Respondents Ziegler and Mahnke denied each and every allegation in the Statement of Claim. Ziegler and Mahnke also alleged that the Statement of Claim failed to state a claim upon which relief can be granted, and that all claims are barred by the applicable statute of limitations.

RELIEF REQUESTED

The Browns requested \$96,000.00 in damages for the initial cost of the bonds, and punitive damages in the amount of \$27,000.00.

Respondents Ziegler and Mahnke requested that the Claim be dismissed in its entirety.

OTHER ISSUES CONSIDERED AND DECIDED

A Motion for Dismissal was filed by Respondents Ziegler and Mahnke on September 29, 1994. On October 25, 1994, the Panel denied the Motion without prejudice.

The parties have agreed that the Award in this matter may be executed in 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 originals 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. The Claimants' Statement of Claim is denied in its entirety and the Respondents are hereby dismissed;
2. Each of the parties shall bear their own costs and expenses incurred, other than those specifically enumerated for herein.

FORUM FEES

Pursuant to Section 43(c) of the Code of Arbitration Procedure, the following Forum Fees are assessed:

The NASD shall retain the claim filing fee of \$200.00 and the hearing session deposit of \$750.00 previously deposited with the NASD by Claimants.

(2) hearing sessions X \$750.00 = \$1,500.00 minus the hearing session deposit of \$750.00 made by Claimants = \$750.00 net due. The panel has ordered that the Respondents Ziegler and Mahnke jointly pay the remaining (and therefore half of the total) forum fees to the NASD in the amount of \$750.00.

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

By the Arbitration Panel:

Dated:

/s/ William H. Levit, Jr.
William H. Levit, Jr., Esq.
Public Arbitrator
Chairperson

12/28/94

/s/ Ramona V. Larson
Ramona V. Larson
Industry Arbitrator

12/30/94

/s/ William B. Ross
William B. Ross
Public Arbitrator

12/29/94

Date Award served by the NASD: 12/30/94