

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimants

H. Winnfield Stevens
Patsy Jo Stevens

NASD Arbitration
No. 94-00149

Name of Respondents

Kemper Securities, Inc.
Timothy Neil Taub

REPRESENTATION

For Claimants: In propria persona

For Respondents: A. Brad Busscher, Esq., Vice President and Senior Attorney,
Kemper Securities, Chicago, Illinois

CASE INFORMATION

Statement of Claim filed: January 13, 1994

Claimant's Submission Agreement signed: January 7, 1994

Statement of Answer filed by Respondent: March 16, 1994

Respondent Timothy Neil Taub's Submission Agreement signed: March 15, 1994

Respondent Kemper Securities, Inc.'s Submission Agreement signed: April 7, 1994

HEARING INFORMATION

Pre-Hearing Conference: December 12, 1994

Hearing Date(s)/Sessions: January 24, 1995/Two sessions

Hearing Location: San Francisco, California

CASE SUMMARY

Claimants alleged:

Lack of suitability, excessive trading and misrepresentation in the purchase of various stock and mutual funds. Respondent Timothy Taub (Taub) did not ascertain Claimants' investment goals but simply drew up an investment plan which was carried out without explanation. Taub did not discuss the capital gains tax consequences of selling appreciated mutual fund shares in order to reinvest in a bond fund.

Respondents allege:

Claimants authorized and ratified the transaction in their account and suffered no losses in their portfolio. Claimants specifically advised Taub that they were dissatisfied with their previous investment consultant and wanted their account reassigned to Taub. Claimants sought and received Taub's advice, and fully authorized such purchases as Bristol Meyers Squibb and Pepsico. Taub also recommended balance-oriented mutual funds as requested. Full disclosure was made on all investments.

RELIEF REQUESTED

1. Compensatory damages of \$7,911.
2. Attorney's fees of \$3,000 - \$5,000.

OTHER ISSUES CONSIDERED & DECIDED

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 original remains on file with the NASD.

AWARD

After considering the pleadings, the testimony and the evidence presented at the hearing, the undersigned arbitrator has decided in full and final resolution of the issues submitted for determination as follows:

Claimants are awarded damages in the amount of \$810.00.

FORUM FEES

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


The NASD shall refund to claimants the \$200.00 hearing session deposit previously deposited by claimants. All forum fees are assessed against respondents jointly and severally and are calculated as follows: One pre-hearing conference @ \$300.00/conference and two hearing sessions @ \$200.00/session for a total balance due of \$700.00.

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

ARBITRATOR

<u>Name</u>	<u>Public/Industry</u>
Thomas J. LoSavio	Public Arbitrator

Arbitrator's Signature


Thomas J. LoSavio

Date of Decision: 2/13/95

Date Served: 02/16/95