

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

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In the Matter of the Arbitration Between

Name of Claimant

John Wedig

94-00292

Name of Respondent

Otto Knop

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**CASE SUMMARY**

In a claim filed with the National Association of Securities Dealers, Inc. on January 25, 1994, Claimant John Wedig, who appeared Pro Se, alleged that Respondent Otto Knop of Prudential Securities misrepresented Astrotech International Stock by stating that he knew a financial officer at Astrotech International, who advised him that the stock would increase. Claimant further alleged that Respondent, Knop sold him 1000 shares of this unsuitable stock, being fully aware that his investment style was conservative with average to below average risk. Claimant contended that he was not notified promptly when the value of the stock went up or down significantly and therefore, Respondent Knop should be held liable for losses he has incurred.

Respondent, Otto Knop, who appeared Pro Se, maintained that he fully disclosed both the potential benefits and risks associated with the investment, and that Astrotech was totally consistent with claimant's portfolio. Respondent, Knop further maintained that through information provided by CTC, sources and his own research he felt Astrotech had growth potential. Respondent Knop contended that Claimant Wedig, was in a position to track the stock on his own, and that this investment was a solid, long-term growth investment opportunity. Respondent Knop, contended that he has committed no wrongdoing and therefore, the claims of the claimant should be dismissed.

**RELIEF REQUESTED**

Claimant John Wedig requested \$8,000.00 in actual damages, plus attorney fees.

Respondent, Otto Knop, requested that the claims of the Claimant be dismissed.

**AWARD**

Pursuant to Section 13 of the NASD, Inc. Code of Arbitration Procedure, a single Public Arbitrator, James McCrocklin, was selected to review the matter in controversy between the parties set forth in submissions to Arbitration signed by the claimant on January 20, 1994 and not by the Respondent Otto Knop as required pursuant to Sections 12 and 13 of the NASD Code of Arbitration Procedure.

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 John Wedig against Respondent Otto Knop 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 John Wedig shall be retained by the NASD, Inc.

## Affirmation

STATE OF *Kentucky*  
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COUNTY OF San Diego

I, James P. McCrackin, do hereby affirm upon my oath as arbitrator that I am the individual described in and who executed this instrument, which is my oath and award.

**Signature of Arbitrator**

DATE OF DECISION: April 12, 1995