

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Samuel M. Wiles, D.D.S., P.C.,
Money Purchase Pension Plan

95-00610

Name of Respondents

James W. Grubb
J.C. Bradford & Co.

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on February 7, 1995, Claimant Samuel M. Wiles, D.D.S., P.C., Money Purchase Pension Plan ("Claimant"), through its representative Gorman Waddell, Esq., of Kingsport, TN, alleged that Respondents James W. Grubb ("Grubb") and J.C. Bradford & Co. ("JCB"), recommended that he should purchase two stocks, Interdigital and Amsco ("Stocks"), which he purchased. Claimant further alleged that the Stocks almost immediately fell in value. Claimant contended that he had informed the Respondents that his investment goal was to "realize a good return" and to "preserve the principle." Claimant further contended that he contacted Grubb and informed that he did not want to speculate with his pension fund money to which Grubb responded not to worry because fluctuations in price are normal. Claimant alleged that Grubb eventually recommended another stock Regency Health Care which he purchased and which also lost value. Claimant further alleged that he has suffered a loss for which the Respondents should be held liable.

Respondents James W. Grubb and J.C. Bradford & Co., through their representative and in-house counsel, Claude O. Ramer, II, Esq., maintained that Claimant had held an account with JCB beginning in 1979. Respondents further maintained that on January 21, 1993, Grubb reviewed the account history with the Claimant and established the investment objectives to be "long term growth, will accept some risk" and "income with some risk." Respondents contended that Claimant had a history of investing in growth/aggressive type stocks. Respondents further contended that the Stocks which the Claimant purchased were completely discussed concerning risk and background after which they were purchased and that as a result of the above, they should not be held liable.

RELIEF REQUESTED

Claimant Samuel M. Wiles, D.D.S., P.C., Money Purchase Pension Plan, requested \$10,000.00 in actual damages.

Respondents James W. Grubb and J.C. Bradford & Co., 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, Bernard H. Cantor, Esq., was selected to review the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimant Samuel M. Wiles, D.D.S., P.C., Money Purchase Pension Plan, on February 1, 1995, and by the Respondent James W. Grubb, on April 18, 1995, J.C. Bradford & Co., May 5, 1995.

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 Samuel M. Wiles, D.D.S., P.C., Money Purchase Pension Plan, against Respondents James W. Grubb and J.C. Bradford & Co., 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 Samuel M. Wiles, D.D.S., P.C., Money Purchase Pension Plan, shall be retained by the NASD, Inc.

AFFIRMATION

I, **BERNARD H. CANTOR, 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.


Bernard H. Cantor, Esq.

DATE OF DECISION: September 28, 1995