

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between

Name of Claimant

Principal Financial Securities, Inc.

95-04743

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Securities Dealers, Inc.Name of Respondent

Thomas Rohrer

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REPRESENTATION

PRINCIPAL FINANCIAL SECURITIES, INC. ("Claimant") was represented by Martin R. Castro, Baker & McKenzie, Chicago, Illinois.

THOMAS ROHRER ("Respondent") appeared pro se.

CASE INFORMATION

Statement of Claim filed on or about October 3, 1995. The Submission Agreement of claimant was signed on October 3, 1995. The Submission Agreement of Respondent was signed on June 24, 1996.

Respondent did not file a responsive pleading.

HEARING INFORMATION

The hearing was scheduled for Thursday, August 1, 1996, in Chicago, Illinois; however the hearing was not held because the parties reached a settlement of the claim.

CASE SUMMARY

Claimant alleged that on or about September 1, 1994, it purchased the majority of the assets owned by Hamilton Investments, Inc. ("Hamilton"). Claimant alleged that Respondent was a registered representative with Hamilton and subsequently with Claimant following the purchase by Claimant of the assets of Hamilton. Claimant alleged that on or about March 5, 1993, Respondent was loaned the sum of \$105,000.00 by Hamilton and voluntarily entered into a promissory note (the "First Note") with Hamilton, which First Note was subsequently assigned by Hamilton to Claimant as an asset purchased by Claimant. It was also alleged by Claimant that on or about August 16, 1994, Respondent was loaned the sum of \$36,153.10 by Claimant and voluntarily entered into a promissory note (the "Second Note") with Claimant. It is further alleged that Respondent has breached the terms of the First Note and the Second Note has failed, and refused to repay the principal balance of both Notes is \$88,653.10, plus pre-judgment interest as of July 31, 1996, in the amount of \$6,323.33, for a total amount of \$94,976.43, plus interest.

Respondent did not file a responsive pleading.

RELIEF REQUESTED

Claimant requested an award as follows:

- (a). The sum of \$52,500.00 based upon Respondent's default in the repayment on the First Note;
- (b). Interest on the above-referenced sum at the contract rate of 6.22% per annum from March 15, 1995, to the date of payment;
- (c). The Sum of \$36,153.10 based upon Respondent's default in the repayment of the Second Note;
- (d). Interest on the above-referenced sum at the rate stated in the Second Note from August 16, 1994, to the date of payment;
- (e). The cost of collection and of this proceeding, including attorneys' fees and agreed to under the terms of the Notes; and
- (f). Any other relief as the Arbitrators deem just.

OTHER ISSUES CONSIDERED & DECIDED

Claimant and Respondent have entered into a Settlement Agreement and Consent to Entry of Arbitration Award which provide that Respondent shall pay to Claimant the principal amount of \$88,653.10, plus pre-judgement interest as of July 31, 1996, in the amount \$6,323.33, for a total Arbitration Award of \$94,976.43, which shall bear interest at the rate of 6.22% per annum.

The parties agree that a handwritten, signed Arbitration Award may be entered. The parties have agreed to receive conformed copies of the Arbitration Award while the original remains on file with the NASD.

AWARD

After considering the pleadings, the Settlement Agreement and the Consent to Entry of Arbitration Award, the Undersigned Arbitrators have decided in full and final resolution of the issues submitted for determination as follows: issues submitted for determination as follows:

- (1). Respondent THOMAS ROHRER shall be and hereby is liable for and shall pay to Claimant PRINCIPAL FINANCIAL SECURITIES, INC. the sum of ninety four thousand nine hundred seventy six dollars and forty three cents (\$94,976.43) which sum includes pre-judgment interest, at the rate of 6.22% per annum.
- (2). Each party shall bear its own cost, expenses and fees incurred in this matter.

FORUM FEES

Forum fees are calculated at the rate of \$600.00 per hearing session and \$300 for each pre-hearing conference, if any. There were no pre-hearing conferences of hearing conducted in this matter. Pursuant to Section 44(g) of the NASD Code of Arbitration Procedure, the NASD shall retain the non-refundable filing fee in the amount of \$500.00 and shall retain the hearing session deposit in the amount of \$600.00

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Concurring Arbitrators' Signatures

Dated:

August 26 1996

August 28, 1996

September 3, 1996