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N.A.S.D.R. AWARD

**NATIONAL ASSOCIATION OF SECURITIES DEALERS REGULATION**

In the Matter of the Arbitration Between

Name of Claimant

Katie H. Barr

9504948

Name of Respondent

\*Michael Bergquist

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Securities Dealers, Inc.

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**REPRESENTATION**

Claimant Katie H. Barr ("Claimant ") represented herself.

Respondent Michael Bergquist ("Respondent ") represented himself.

**CASE INFORMATION**

The Statement of Claim was filed on October 17, 1995.

Claimant's Submission Agreement was signed on October 13, 1995.

The Statement of Answer was filed by Respondent on November 27, 1995.

Respondent's Submission Agreement was signed on November 22, 1995.

**HEARING INFORMATION**

Hearing Date/Sessions: July 16, 1996 - one session

Hearing Location: NASD Executive Office  
Washington, D.C.

**CASE SUMMARY**

Claimant alleged, among other things, that Respondent used high pressured sales tactics to induce Claimant to invest with Respondent. Claimant alleged that Respondent recommended that she purchase low price speculative stock that were unsuitable given her age and investment goals. Claimant alleged that Respondent churned her account and made unauthorized transactions in her account.

Respondent denied all allegations of wrongdoing. Respondent specifically maintained, among other things, that Claimant wanted speculative stocks and that she kept a conservative account at another brokerage firm. Respondent maintained that Claimant chose to allocate a portion of her assets to

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purchase speculative stocks from Respondent. Respondent maintained that each and every investment was discussed with Claimant and that all investments were authorized. Respondent maintained that he did not chum Claimant's account.

### **RELIEF REQUESTED**

Claimant requested \$65,000 in compensatory damages, that Respondent be assessed the administrative costs and an award of punitive damages as determined justified by the Panel.

Respondent requested that Claimant's claim be dismissed in its entirety.

### **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 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. That Respondent is liable to Claimant and shall pay to Claimant the sum of \$12,800; no interest is awarded on this amount.
2. The parties shall bear their respective costs except as forum fees are addressed below.

### **FORUM FEES**

Pursuant to Section 10332 of the Code of Arbitration Procedure, the following Forum Fee is assessed.

1 sessions X \$500 = \$500

Forum Fee Assessed Against: Claimant and Respondent equally. Claimant is assessed a forum fee in the amount of \$250. Respondent is assessed a forum fee in the amount of \$250.

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

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DATE

7-24-96

CONCURRING ARBITRATORS' SIGNATURE

Joseph F. Keener, Jr.

Joseph F. Keener, Jr., Esq., Chairperson  
Public Arbitrator

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Joel F. Brenner, Esq.  
Public Arbitrator

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Alexander I. Heckman, Esq.  
Industry Arbitrator

Date Award Served by the NASDR:

July 30, 1996

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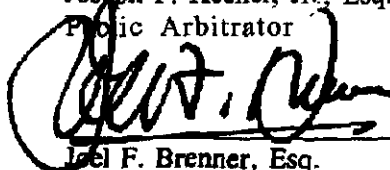
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DATE

CONCURRING ARBITRATORS' SIGNATURE

July 24, 1996

\_\_\_\_\_  
Joseph F. Keener, Jr., Esq., Chairperson  
Public Arbitrator

  
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Joel F. Brenner, Esq.  
Public Arbitrator

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Alexander I. Heckman, Esq.  
Industry Arbitrator

Date Award Served by the NASDR:

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CONCURRING ARBITRATORS' SIGNATURE

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Joseph F. Keener, Jr., Esq., Chairperson  
Public Arbitrator

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\_\_\_\_\_  
Joel F. Brenner, Esq.  
Public Arbitrator

7/27

Alexander I. Heckman  
Alexander I. Heckman, Esq.  
Industry Arbitrator

Date Award Served by the NASDR:

July 30/1996