

AWARD
NASD Regulation, Inc.

In the Matter of the Arbitration Between

Name of Claimant

Glen Kohr and Eunice Kohr,
Trustees of the Glen E & Eunice N. Kohr Living Trust

and

99-02449
Kansas City, Missouri

Name of Respondents

American Heartland Investments, Inc.
Robert L. Hamman

REPRESENTATION OF PARTIES

Glen Kohr and Eunice Kohr, Trustees of the Glen E & Eunice N. Kohr Living Trust ("**Claimant**") was represented by Larry G. Michel, Esq., Kennedy Berkley Yarnevich & Williamson, Salina, Kansas.

American Heartland Investments, Inc. ("**Respondent AHI**") and Robert L. Hamman ("**Respondent Hamman**") were represented by Roger N. Walter, Esq., Morris Laing Evans Brock & Kennedy, Chartered, Topeka, Kansas.

CASE INFORMATION

The Statement of Claim was filed on or about May 27, 1999. Memorandum Brief in Opposition to respondents' Motion to Dismiss was filed on or about October 12, 1999. Submission Agreement of Claimant Glen Kohr and Eunice Kohr, Trustees of the Glen E & Eunice N. Kohr Living Trust was signed without a date in May, 1999.

Statement of Answer was filed by Respondent American Heartland Investments, Inc. and Robert L. Hamman on or about September 22, 1999. First Amended Answer was filed on or about December 3, 1999. Supplemental Motion to Dismiss was filed on or about December 3, 1999. Submission Agreement of Respondent American Heartland Investments, Inc. was signed on September 17, 1999 by Robert L. Hamman as President and in his individual capacity.

CASE SUMMARY

The following summary was submitted:

Claimant alleged that Respondents recommended unsuitable investments, committed fraud and misrepresentation, breached their fiduciary duty, and were negligent in the offering and sale of G & W Financial Corporation ("GW") Notes, Keller Financial Services, Inc. ("Keller") Notes, and Arch Leasing Corporation Trust Bonds. Claimant alleged that Respondents actions constituted violations of Kansas and Federal Securities laws.

Prior to the commencement of the hearing, Claimants have conceded that with respect to all the complained of transactions, except the GW Note purchase on March 22, 1996, their claims rest solely on claims of unsuitability. The Claimants fraud and misrepresentation claims are limited to the GW Notes transaction of march 22, 1996.

Respondents denied the allegations set forth in the Statement of Claim and have asserted the following affirmative defenses: Claimants knowingly assumed the risks of the investments with full knowledge of all material facts; Claimants directed and authorized the investments and are barred from recovery under the doctrines of laches, waiver, estoppel and/or ratification; Claimants claim for recovery should be diminished by comparative fault; Claimant's claim is barred by the applicable statute of limitations; and that if and to the extent Claimants can demonstrate an untrue statement or omission of material fact, Respondents did not know and in the exercise of reasonable care could not have known of the untruth or omission.

RELIEF REQUESTED

Claimants respectfully requested that the Arbitration Panel enter judgment in their favor and against Respondents for an amount in excess of \$50,000.00; that they be awarded the costs of this action; and, that the Arbitration Panel grant such other and further relief as it deems fair and equitable in the circumstances. At the hearing, Claimants submitted a damages calculation seeking damages in the total amount of \$50,849.52.

In the First Amended Answer, Respondents requested: (i) a determination denying Claimants' claims for relief; and (ii) a determination awarding Respondents their costs, including reasonable attorneys' fees, and any further relief deemed just and appropriate.

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(s) remain on file with the NASD Regulation, Inc. Office of Dispute Resolution (the "NASD").

AWARD

After considering the pleadings, the testimony, and the evidence presented at the hearing and the post-hearing submissions, if any, the undersigned arbitrators have decided in full and final resolution of the issues submitted for determination as follows:

1. The claims asserted in this matter shall be and hereby are denied in their entirety.
2. That to the extent not specifically awarded or otherwise provided for above, all other claims and requests for relief by any party hereto are denied with prejudice.
3. Other than the Forum Fees noted below, the parties shall each bear all other costs and expenses incurred by them in connection with this proceeding, including but not limited to attorneys fees.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Regulation, Inc. will retain or collect the non-refundable filing fees for each claim:

Initial claim filing fee = \$175.00

Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firm(s) that employed the associated person(s) at the time of the event(s) giving rise to the dispute. In this matter, the member firm is American Heartland Investments, Inc.

Member surcharge = \$ 800.00
Pre-hearing process fee = \$ 600.00
Hearing process fee = \$1,000.00

Adjournment Fees

Adjournments requested during these proceedings:

March 27, 2000, adjournment requested by Claimants = \$ 600.00

Forum Fees and Assessments

The Arbitration Panel assesses forum fees for each hearing session conducted. A hearing session is any meeting between the parties and the arbitrator(s), including a pre-hearing conference with the arbitrator(s), that lasts four (4) hours or less. Fees associated with these proceedings are:

One (1) Pre-hearing session(s) with Panel x \$750.00 = \$ 750.00

Pre-hearing conference(s): Date 1 session

Two (2) Hearing sessions x \$750.00 = \$1,500.00

Hearing Date(s): July 31, 2000 2 sessions

Total Forum Fees = \$2,250.00

The Arbitration Panel has assessed \$2,250.00 of the forum fees jointly and severally to American Heartland Investments, Inc. and Robert L. Hamman.

Fee Summary

Claimant, Glen Kohr and Eunice Kohr, Trustees of the Glen E & Eunice N. Kohr Living Trust, shall be and hereby is liable for:

Initial Filing Fee = \$ 175.00

Adjournment Fee = \$ 600.00

Forum Fees = \$ 0.00

Total Fees = \$ 775.00

Less payments = \$ 975.00

Balance to be refunded by NASD Regulation, Inc. = \$ 200.00

Respondent, American Heartland Investments, Inc., shall be and hereby is liable for:

Member Fees = \$2,400.00

Total Fees = \$2,400.00

Less payments = \$1,400.00

Balance Due NASD Regulation, Inc. = \$1,000.00

Respondents, American Heartland Investments, Inc. and Robert L. Hamman, shall be and hereby are jointly and severally liable for:

<u>Forum Fees</u>	<u>= \$2,250.00</u>
Balance Due NASD Regulation, Inc.	= \$2,250.00

All balances are due to NASD Regulation, Inc.

Dated:

James A. Hayes
Public Arbitrator, Presiding Chair

Joseph E. Santaularia Jr.
Public Arbitrator

Philip G. Denver
Industry Arbitrator

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Respondents, American Heartland Investments, Inc. and Robert L. Hamman, shall be and hereby are jointly and severally liable for:

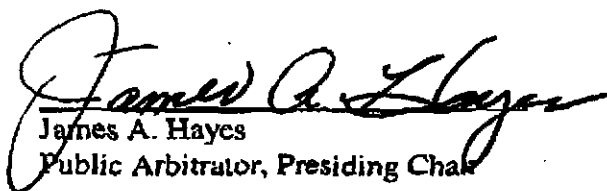
Forum Fees

= \$2,250.00

Balance Due NASD Regulation, Inc.

= \$2,250.00

All balances are due to NASD Regulation, Inc.


James A. Hayes
Public Arbitrator, Presiding Chair

Dated:

Aug. 28, 2000

Joseph E. Santaularia Jr.
Public Arbitrator

Philip G. Denver
Industry Arbitrator

09/01/00 FRI 11:45 FAX

NASD REGULATION

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Forum Fees

Balance Due NASD Regulation, Inc.

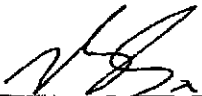
= \$2,250.00

= \$2,250.00

All balances are due to NASD Regulation, Inc.

Dated:

James A. Hayes
Public Arbitrator, Presiding Chair



Joseph E. Santaularia Jr.
Public Arbitrator

9/1/2000

Philip G. Denver
Industry Arbitrator

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Respondents, American Heartland Investments, Inc. and Robert L. Hamman, shall be and hereby are jointly and severally liable for:


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Balance Due NASD Regulation, Inc.	= \$2,250.00

All balances are due to NASD Regulation, Inc.

Dated:

 James A. Hayes
 Public Arbitrator, Presiding Chair

 Joseph E. Santaularia Jr.
 Public Arbitrator


 Philip G. Denver
 Industry Arbitrator

1-29-00