
Award
NASD Dispute Resolution, Inc.

In the Matter of the Arbitration Between:

Michael Priest,
Claimant

Vs.

Investors Brokerage of Texas, Inc.
Respondents.

Case Number: 00-03804

Hearing Site: Dallas, Texas

REPRESENTATION OF PARTIES

Claimant, Michael Priest, ("Priest") was represented by R. Spencer Shytle, Esquire of the Firm Graham, Bright and Smith, P.C. located in Dallas Texas.

Respondent, Investors Brokerage of Texas, Inc. ("Investors Brokerage") was represented by Chris Harris, Esquire of the Firm Haley & Davis, P.C. located in Waco, Texas.

CASE INFORMATION

Claimant, Michael Priest, filed the Statement of Claim on or about: September 13, 2000.
Claimant, Michael Priest, filed the Amended Statement of Claim on or about: January 17, 2001.

Claimant, Michael Priest, signed the Uniform Submission Agreement: August 29, 2000.

Respondent, Investors Brokerage filed the Statement of Answer on or about: November 8, 2000. Respondent, Investors Brokerage filed the Amended Statement of Answer on or about: April 24, 2001

Tim Kohn, on behalf of the Respondent, Investors Brokerage signed the Uniform Submission Agreement on October 27, 2000.

CASE SUMMARY

Claimant alleged the following causes of action against the Respondents, Investors Brokerage: Breach of Contract; Negligence; Failure to Execute; and Misrepresentations. The causes of action related to purchases and sales in Claimant's account of Qualcomm stock.

Unless specifically admitted in its Statement of Answer, Respondent, Investors Brokerage, denied all allegations set forth in the Statement of Claim and asserted affirmative defenses including the following: Due to the volatile nature of the purchase, Respondent, Investors Brokerage complied with all applicable NASD rules and regulations and industry customs, standards and practices; Other than protecting the financial interest of the Claimant, Priest, Respondent had nothing to gain by refusing to execute the requested purchase, therefore all claims of "fraud" and "misrepresentation" are contrary to both the law and common sense; As a matter of law, Respondent, Investors Brokerage had no duty to accept the Claimant's order to open new positions, rather Investors Brokerage merely had a duty to give prompt notice to the Claimant that the order was refused; and as a matter of law, since Claimant complaints center around a requested exchange of "intangibles", Claimant does not qualify as a "consumer" for purposes of the Deceptive Trade Practices Act ("DTPA").

RELIEF REQUESTED

Claimant, Priest requested:

Compensatory Damages	\$198,194.00
Punitive Damages	\$594,582.00
Attorney's Fees	unspecified
Costs	unspecified
Interest	unspecified

Respondent, Investors Brokerage requested that the Statement of Claim be dismissed in its entirety with prejudice.

AWARD

After considering the pleadings, the testimony and evidence presented at the hearing, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

1. That any and all relief requested against the Respondent, Investors Brokerage of Texas Inc. is dismissed and denied in its entirety.
2. That any and all relief not specifically addressed herein, including

punitive damages, is denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

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

Initial claim filing fee	= \$375
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Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firm that employed the associated person at the time of the events giving rise to the dispute. In this matter, the member firm, Investors Brokerage of Texas Inc., is a party.

Member surcharge	= \$2,000
Pre-hearing process fee	= \$600
Hearing process fee	= \$3,500
Total Member Fees	= \$6,100

Forum Fees and Assessments

The arbitrator has the authority to assess 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 that lasts four (4) hours or less. Fees associated with these proceedings are:

One (1) Pre-hearing session with Arbitration Panel x \$1,200	= \$1,200
Pre-hearing conference(s): February 09, 2001	1 session
Five (5) Hearing sessions x \$1,200	= \$6,000
Hearing Date(s): May 30, 2001	3 sessions
May 31, 2001	2 sessions
Total Forum Fees	= \$7,200

The Forum Fees are assessed equally between the Claimant and the Respondent.

1. The Panel has assessed \$3,600 in forum fees to the Claimant, Michael Priest.
2. The Panel has assessed \$3,600 in forum fees to the Respondent, Investors Brokerage of Texas Inc.

Fee Summary

1. Claimant, Michael Priest, be and hereby is solely liable for:

Initial Filing Fee	= \$ 375
<u>Forum Fees</u>	= \$ 3,600
Total Fees	= \$ 3,975
<u>Less payments</u>	= \$ 1,575
Balance Due NASD Dispute Resolution, Inc.	= \$ 2,400

2. Respondent, Investors Brokerage of Texas, Inc. be and hereby is solely liable for:

Forum Fees	= \$ 3,600
<u>Member Fees</u>	= \$ 6,100
Total Fees	= \$ 9,700
<u>Less payments</u>	= \$ 2,600
Balance Due NASD Dispute Resolution, Inc.	= \$ 7,100

All balances are due to NASD Dispute Resolution, Inc.

ARBITRATION PANEL

Irving L. Faught, Esq.	-	Public, Presiding Chair
Arvel G. McCulloch	-	Public, Panelist
Stephen C. Thayer, Esq.	-	Non-Public, Panelist

Irving L. Faught, Esq.
Public Arbitrator, Presiding Chair

Signature Date

Arvel G. McCulloch.
Public Arbitrator, Panelist

Signature Date

Stephen C. Thayer, Esq.
Non-Public Arbitrator, Panelist

Signature Date

Date of Service (For NASD-Dispute Resolution office use only)

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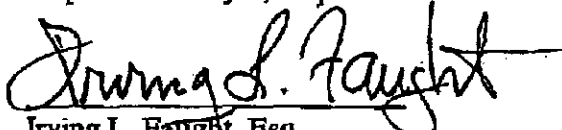
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Arvel G. McCulloch
Stephen C. Thayer, Esq.

- Public, Presiding Chair
- Public, Panelist
- Non-Public, Panelist



Irving L. Faught, Esq.
Public Arbitrator, Presiding Chair

7/10/01
Signature Date

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Irving L. Faught, Esq.
Public Arbitrator, Presiding Chair

Signature Date

Arvel G. McCulloch

7-2-01

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Irving L. Faught, Esq.
Public Arbitrator, Presiding Chair

Signature Date

Arvel G. McCulloch
Public Arbitrator, Panelist

Signature Date



Stephen C. Thayer, Esq.
Non-Public Arbitrator, Panelist

June 29, 2001

Signature Date

Date of Service (For NASD-Dispute Resolution office use only)