

## **Stipulated Award**

### **NASD**

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In the Matter of the Arbitration Between:

Pamela A. Parzynski, TTEE, Pamela A. Parzynski, Rev Liv TST, U/A DTD 05-08-1997, and Pamela A. Parzynski, as Custodian for Marc R. Parzynski, Claimant v. American Investment Services, Inc., Jin "Lisa" Pan, and A. Philip Chang, Respondents

Case Number: 01-00329

Hearing Site: Boca Raton, Florida

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### **REPRESENTATION OF PARTIES**

For Pamela A. Parzynski, TTEE, Pamela A. Parzynski, Rev Liv TST, U/A DTD 05-08-1997, and Pamela A. Parzynski, as Custodian for Marc R. Parzynski, hereinafter referred to as "Claimant": Darren C. Blum, Esq. and Scott L. Silver, Esq., Law Offices of Darren C. Blum, P.A., Plantation, FL.

For Respondents American Investment Services, Inc. ("AIS") and A. Philip Chang ("Chang"): Thomas D. Birge, Esq. and Carla B. Minckley, Esq., Birge & Minckley, P.C., Denver, CO. On December 20, 2001, Thomas D. Birge, Esq. and Carla B. Minckley, Esq. withdrew as counsel for AIS and Chang. On March 6, 2002, Carla B. Minckley, Esq. re-entered an appearance on behalf of AIS and Chang. On or about July 21, 2002, Carla B. Minckley, Esq. filed a notice of withdrawal for Respondent AIS.

For Respondent Jin "Lisa" Pan ("Pan"): Marc. S. Dobin, Esq., Dobin & Jenks, LLPL Corp., Jupiter, FL.

### **CASE INFORMATION**

Statement of Claim filed on or about: February 28, 2001.

Claimant's Uniform Submission Agreement signed: February 20, 2001.

Statement of Answer filed by Respondents AIS and Chang on or about: May 10, 2001.

Statement of Answer filed by Respondent Pan on or about: May 9, 2001.

Claimant's Response to Respondent Pan's Answer filed on or about: May 22, 2001.

Respondent Pan's Amended Answer filed on or about: June 4, 2001.

Respondent AIS's Uniform Submission Agreement signed: March 19, 2001.

Respondent Chang's Uniform Submission Agreement signed: March 19, 2001.

Respondent Pan's Uniform Submission Agreement signed: May 2, 2001.

### **CASE SUMMARY**

Claimant alleged the following causes of action: 1) churning; 2) violation of Florida Statutes Section 517; 3) breach of fiduciary duty; 4) fraud; 5) negligence; and 6) negligent supervision

and retention of employees. The causes of action relate to, but are not limited to, investments in Claimant's IRA and trust accounts, and in securities of Microsoft and Pfizer.

Unless specifically admitted in their Statements of Answers, Respondents denied the allegations of wrongdoing set forth in the Claimant's Statement of Claim and asserted various affirmative defenses.

### **RELIEF REQUESTED**

Claimant requested in her Statement of Claim: 1) compensatory damages in the amount of \$500,000.00, plus interest at the legal rate from the date of purchase or reasonable market return; 2) punitive damages; 3) costs; 4) attorneys' fees; and 5) such other relief as the panel deemed just and proper.

Respondents AIS and Chang requested costs and attorneys' fees.

Respondent Pan requested dismissal of Claimant's causes of action and attorneys' fees.

### **OTHER ISSUES CONSIDERED AND DECIDED**

On or about July 11, 2001, Claimant informed NASD that the parties had reached a settlement of the claims asserted in the above-referenced matter.

On July 29, 2002, Claimant and Respondent Pan filed with NASD a Stipulation to Dismiss and Expunge the Registered Representative's Record along with a proposed Stipulated Award.

The parties have agreed that the Stipulated Award in this matter may be executed in counterpart copies or that a handwritten, signed Stipulated Award may be entered.

### **AWARD**

After considering the pleadings, and the Stipulation to Dismiss and Expunge the Registered Representative's Record and proposed Stipulated Award, the Panel has decided in full and final resolution of the issues submitted for determination as follows:

- 1) Claimant's withdrawal of her claims is accepted, and Respondent Pan is dismissed from this matter, with prejudice.
- 2) The Panel recommends the expungement of all references to the above captioned arbitration from Respondent Pan's registration records maintained by the NASD CRD, with the understanding that pursuant to NASD Notice to Members 99-09, Respondent Pan must

obtain confirmation from a court of competent jurisdiction before the CRD will execute the expungement directive.

### **FEES**

Pursuant to the NASD Code of Arbitration Procedure (the "Code"), the following fees are assessed:

#### **Filing Fees**

NASD, received or will collect, the non-refundable filing fees for each claim as follows:

Initial claim filing fee	= \$ 300.00
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#### **Member Fees**

Member fees are assessed to each member firm that is either a party in the matter or an employer of a respondent associated person at the time of the events that gave rise to the dispute, claim, or controversy. American Investment Services, Inc. is a party to this dispute and was an NASD member at the time the following fees were assessed:

Member Surcharge	= \$ 1,500.00
Pre-Hearing Process Fee	= \$ 600.00
<u>Hearing Process Fee</u>	<u>= \$ 2,500.00</u>
Total Member Fees	= \$ 4,600.00

#### **Adjournment Fees**

No adjournment fees are assessed.

#### **Forum Fees and Assessments**

The Panel assessed a forum fee for each pre-hearing conference or hearing session conducted. A pre-hearing conference and hearing session is any meeting between the parties and the Chair/Panel. The following fees are assessed:

One (1) Pre-hearing conference with the Panel @ \$1,125.00	= \$ 1,125.00
Pre-hearing conference: December 12, 2001 1 session	
Total Forum Fees	= \$ 1,125.00

The Panel assessed forum fees of \$ 281.25 to Claimant.

The Panel assessed forum fees of \$ 281.25 to Respondent AIS.

The Panel assessed forum fees of \$ 281.25 to Respondent Pan.

The Panel assessed forum fees of \$ 281.25 to Respondent Chang.

#### **Administrative Costs**

Administrative costs are expenses incurred because a party requested additional services beyond the normal administrative services. These additional services include, but are not limited to,

additional copies of arbitrator awards, copies of audio transcripts, retrieval of documents from archives, interpreters, security, and other requests.

There were no administrative costs incurred during these proceedings.

**Fee Summary**

Claimant is solely liable for the following fees and costs:

Initial Filing Fee	= \$	300.00
Retained Hearing Session Deposit	= \$	843.75
<u>Forum Fees</u>	= \$	281.25
Total Fees	= \$	1,425.00
<u>Less payments</u>	= \$	1,425.00
Balance Due NASD	= \$	0.00

Respondent AIS is solely liable for the following fees and costs:

Forum Fees	= \$	281.25
<u>Member Fees</u>	= \$	4,600.00
Total Fees	= \$	4,881.25
<u>Less payments</u>	= \$	2,100.00
Balance Due NASD	= \$	2,781.25

Respondent Pan is solely liable for the following fees and costs:

<u>Forum Fees</u>	= \$	281.25
Total Fees	= \$	281.25
<u>Less payments</u>	= \$	0.00
Balance Due NASD	= \$	281.25

Respondent Chang is solely liable for the following fees and costs:

<u>Forum Fees</u>	= \$	281.25
Total Fees	= \$	281.25
<u>Less payments</u>	= \$	0.00
Balance Due NASD	= \$	281.25

All balances are payable to NASD and are due upon the parties' receipt of the Award pursuant to Rule 10330(g) of the Code.

Arbitration No. 01-00329

### ARBITRATION PANEL

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*Public Presiding Chair*

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### *Non-Public Arbitrator*

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Public Arbitrator

**Concurring Arbitrators' Signatures**

/s/  
Michael E. Schmidt  
Chair, Public Arbitrator

Signature Date

/s/  
**Ronald F. Rohe**  
**Non-Public Arbitrator**

**Signature Date**

/s/  
Jennifer G. Klein  
Public Arbitrator

Signature Date

September 25, 2002  
Date of Service (For NASD purpose only)

NASD  
Arbitration No. 01-00329  
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**ARBITRATION PANEL**

Michael E. Schmidt	-	Public Presiding Chair
Ronald F. Rohe	-	Non-Public Arbitrator
Jennifer G. Klein	-	Public Arbitrator

**Concurring Arbitrators' Signatures**



Michael E. Schmidt  
Chair, Public Arbitrator

9/12/02  
Signature Date

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Ronald F. Rohe  
Non-Public Arbitrator

\_\_\_\_\_  
Signature Date

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Jennifer G. Klein  
Public Arbitrator

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NASD

Arbitration No: 01-00329


Award Page 5 of 5

ARBITRATION PANEL*Michael E. Schmidt**Public Presiding Chair**Ronald F. Rohe**Non-Public Arbitrator**Jennifer G. Klein**Public Arbitrator*Concurring Arbitrators' Signatures

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Michael E. Schmidt  
Chair, Public Arbitrator

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Non-Public Arbitrator

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9-12-02  
Signature Date

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Jennifer G. Klein  
Public Arbitrator

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Signature Date

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Michael E. Schmidt	-	Public Presiding Chair
Ronald F. Rohe	-	Non-Public Arbitrator
Jennifer G. Klein	-	Public Arbitrator

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Non-Public Arbitrator

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Signature Date

Jennifer G. Klein  
Jennifer G. Klein  
Public Arbitrator

9/20/2002  
Signature Date

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only)