

AWARD
NASD DISPUTE RESOLUTION, INC.

NASD Case Number: 01-01289

In the Matter of the Arbitration Between:

DOUGLAS L. WILSON,

Claimant,

v.

AMERICAN INVESTMENT SERVICES, INC., and JOSEPH HONINGS,

Respondents.

Representation of Parties

Douglas L. Wilson, ("Claimant") was represented by James True, Esq., Aspen, Colorado.

American Investment Services, Inc., and Joseph Honings, (Respondents) were represented by Terry Guy Shipley, Esq., Norman, Oklahoma, and Daniel P. Murphy, Esq., Montgomery, Little, & McGrew, P.C., Greenwood Village, Denver, Colorado.

Case Information

The Statement of Claim was filed on or about March 9, 2001. Claimant's Submission Agreement was signed on March 7, 2001.

The Statement of Answer was filed on or about May 30, 2001. Respondents' Submission Agreement was signed on April 30, 2001. Respondents also filed an Amended Statement of Answer on or about September 19, 2001.

At the beginning of the hearing on February 7, 2002, Claimant orally sought to amend the statement of claim to add an additional cause of action for defamation.

Respondents filed a Motion in Limine on February 5, 2002, to bar the testimony of expert witnesses of claimant. Respondents orally sought a continuance at the beginning of the hearing.

Hearing Information

A pre-hearing pre-hearing conference with the entire panel was held on September 5, 2001 for one (1) session. A final pre-hearing with the panel chairperson only was held on January 30, 2002, for one (1) session.

The hearing was held on February 7, 2002 for two (2) sessions and February 8, 2002 for two (2) sessions, in Denver, Colorado for a total of seven (7) sessions.

Case Summary

Claimant asserted the following causes of action defamation, violation of NASD rules and regulations, exemplary damages, attorneys' fees and costs, and the expungement of claimant's record.

Unless specifically admitted in its Statement of Answer, respondents' denied all allegations made in the Statement of Claim and asserted the following defenses: the U5 disclosures were absolutely privileged; the U5 disclosures were protected by a qualified privileged; the U5 disclosures made by respondents were immune from civil liability pursuant to statute, C.R.S. § 8-2-114; claimant's alleged damages were to be reduced by his proportionate fault, C.R.S. §13-21-111; claimant failed to mitigate his alleged damages; any losses of claimant were the result of actions by third parties or events beyond the control of respondents; claimant's claims were barred by the statute of limitations, C.R.S. §13-80-103(1)(a); claimant's actions were barred the doctrine of estoppel, in pari delecto, and unclean hands; and claimant's claims failed to state a claim upon which relief may be granted.

Relief Requested

Claimant sought damages in excess of \$50,000.00, exemplary damages, attorneys' fees and costs, and the expungement of his record.

Respondent sought dismissal of claimant's claim, and an award of forum fees, attorneys' fees and costs and forum for claimant's violation of C.R.S. §13-17-101.

Other Issues Decided

At the commencement of the hearing on February 7, 2002, claimant moved the panel for leave to amend his Statement of Claim to add an additional claim of defamation related to the respondents' filing of an amended U5 on May 14, 2001. After hearing argument of the parties, the panel granted the request to amend.

The panel heard argument of the parties as to respondents' Motion in Limine. The panel denied respondent's Motion in Limine. As a result, respondents' requested a continuance of the hearing in order to obtain expert testimony for their case. After hearing argument on the request, the panel denied the Motion for Continuance.

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. Claimant, Douglas L. Wilson's, claims are dismissed.
2. 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.

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 = \$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 Investment Services, Inc.

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

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 with single arbitrator x \$450.00	= \$450.00
Pre-hearing conference January 30, 2002 1 session	
One (1) Pre-hearing session with Panel x \$600.00	= \$600.00
Pre-hearing conference: September 5, 2001 1 session	

Four (4) hearing sessions with Panel x \$600.00

Hearing sessions:	February 7, 2002	2 sessions
	February 8, 2002	2 sessions

Total Forum Fees = \$3,450.00

The Arbitration Panel has assessed \$1,725.00 of the forum fees to Douglas Wilson.

The Arbitration Panel has assessed \$1,725.00 of the forum fees to American Investment Services, Incorporated.

Fee Summary

Claimant, Douglas Wilson, shall be and hereby is liable for:

Initial Filing Fee	= \$175.00
<u>Forum Fees</u>	= <u>\$1,725.00</u>
Total Fees	= \$1,900.00
<u>Less payments</u>	= <u>\$ 775.00</u>
Balance Due NASD Dispute Resolution, Inc.	= \$1,125.00

Respondent, American Investment Services, Inc, shall be and hereby is liable for:

Member Fees	= \$2,400.00
<u>Forum Fees</u>	= <u>\$1,725.00</u>
Total Fees	= \$4,125.00
<u>Less payments</u>	= <u>\$2,400.00</u>
Balance Due NASD Dispute Resolution, Inc.	= \$1,725 .00

All balances are due to NASD Dispute Resolution, Inc.

ARBITRATION PANEL

John E. Plock - Public, Presiding Chair
Robert C. Roth, Jr. - Public Arbitrator
Leon C. Tupy - Non-Public Arbitrator

Concurring Arbitrators:

John E. Plock
Public Arbitrator, Presiding Chair

Signature Date

Robert C. Roth, Jr.
Public Arbitrator

Signature Date

Leon C. Tupy
Industry Arbitrator

Signature Date

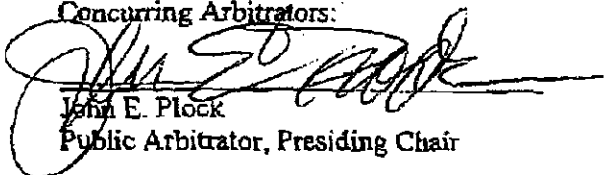
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ARBITRATION PANEL

John E. Plock - Public, Presiding Chair
Robert C. Roth, Jr. - Public Arbitrator
Leon C. Tupy - Non-Public Arbitrator

Concurring Arbitrators:


John E. Plock
Public Arbitrator, Presiding Chair

April 4, 2002
Signature Date

Robert C. Roth, Jr.
Public Arbitrator

Signature Date

Leon C. Tupy
Industry Arbitrator

Signature Date

All balances are due to NASD Dispute Resolution, Inc.

ARBITRATION PANEL

John E. Plock - Public, Presiding Chair
Robert C. Roth, Jr. - Public Arbitrator
Leon C. Tupy - Non-Public Arbitrator

Concurring Arbitrators:

John E. Plock
Public Arbitrator, Presiding Chair

Robert C. Roth, Jr.
Public Arbitrator

Leon C. Tupy
Industry Arbitrator

Signature Date

April 3, 2002
Signature Date

Signature Date

All balances are due to NASD Dispute Resolution, Inc.

ARBITRATION PANEL

John E. Plock - Public, Presiding Chair
Robert C. Roth, Jr. - Public Arbitrator
Leon C. Tupy - Non-Public Arbitrator

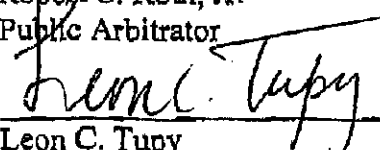
Concurring Arbitrators:

John E. Plock
Public Arbitrator, Presiding Chair

Signature Date

Robert C. Roth, Jr.
Public Arbitrator

Signature Date



Leon C. Tupy
Industry Arbitrator

4-3-02

Signature Date