

**AWARD  
NASD DISPUTE RESOLUTION**

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In the Matter of the Arbitration Between:

Loras and Carol Auderer vs. Donald & Co. Securities, Inc. and Bruce L. Troyer  
Case Number: 03-00485

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SITUS: St. Louis, Missouri

NATURE OF DISPUTE: Customer v. Terminated Member and Associated Person

REPRESENTATION OF PARTIES:

Loras and Carol Auderer, hereinafter referred to as "Claimants": Todd A. Strother, Esq. and Stacie Codr, Esq. of the law firm Bradshaw, Fowler, Procter & Fairgrave located in Des Moines, Iowa.

Respondents Donald & Co. Securities, Inc. and Bruce L. Troyer did not enter an appearance in this matter.

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DATE FILED: On or about January 21, 2003

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CASE SUMMARY: Claimants alleged margin calls, negligence, failure to supervise, breach of fiduciary duty, misrepresentations, unauthorized trading, omission of facts and suitability. Claimants' claim involved Silicon Storage Technology, Inc., GoAmerica, Inc., Wal-Mart and Avidyn, Inc. stock, among others.

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**Claim Data**

Claim:	\$233,105.73
Punitive:	unspecified
Attorney's Fees:	unspecified
Filing Fees:	\$.00
Other:	\$.00

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**Award Data**

Award:	\$216,253.03
Punitive:	\$0.00
Attorney's Fees:	\$16,852.70
Filing Fees:	\$.00
Other:	\$.00

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OTHER ISSUES:

Initially, Claimants' claims against Respondents, Donald & Co. Securities, Inc., Bruce L. Troyer and First Avantus Securities, Inc. f/k/a First Financial Investment Services were arbitrated in NASD Arbitration Case #02-06845. On or about August 8, 2003, Claimants opted to proceed against Respondents Donald & Co. Securities, Inc. and Bruce L. Troyer pursuant to Rule 10314(e) of the *NASD Code of Arbitration Procedure* ("Code"). The claims against Respondents Donald & Co. and Troyer were bifurcated from Case #02-06845 because Respondents failed to file Answers and were assigned the Case No. 03-00485. The arbitrator determined that Respondents Donald & Co. and Troyer were properly served notice of the Statement of Claim and Notification of the Arbitrator by certified mail, and Respondents

Donald & Co. and Troyer are required to submit to arbitration pursuant to the Code and are bound by the determination of the Arbitrator on all issues submitted.

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AWARD: The undersigned Arbitrator has decided and determined in full and final resolution of the issues submitted for determination as follows:

- 1) Respondents, Donald & Co. Securities, Inc. and Bruce L. Troyer, are jointly and severally liable and shall pay to Claimants, Loras and Carol Auderer, the sum of \$96,419.33 in compensatory damages, plus interest at the rate of 9% per annum accruing from July 26, 2004 until the Award is paid in full.
- 2) In addition, Respondent, Bruce L. Troyer, is solely liable for and shall pay to Claimants, Loras and Carol Auderer the sum of \$119,833.70 in compensatory damages, plus interest at the rate of 9% per annum accruing from July 26, 2004 until the Award is paid in full.
- 3) Respondents, Donald & Co. Securities, Inc. and Bruce L. Troyer, are jointly and severally liable for and shall pay to Claimants, Loras and Carol Auderer, the sum of \$16,852.70 in attorney's fees, plus interest at the rate of 9% per annum accruing from July 26, 2004 until the Award is paid in full. In deciding to award attorney's fees, the Arbitrator considered the pleadings filed by counsel and determined that authority existed for an award of attorney's fees to the Claimants.
- 4) Any relief not specifically enumerated, including punitive damages, is hereby denied with prejudice.

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#### FORUM FEES

One (1) Pre-hearing session with a full panel @1,200.00	= \$1,200.00
Pre-hearing conference: July 1, 2004 1 session	
<u>Paper Decision Fee</u>	= \$ 300.00
<u>Total Forum Fees</u>	= \$1,500.00

#### 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. Accordingly, Donald & Co. Securities, Inc. is a party to this proceeding.

Member surcharge	= \$2,250.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$4,000.00

The Arbitrator assessed all forum fees in the amount of \$1,500.00 jointly and severally against Respondents, Donald & Co. Securities, Inc. and Bruce L. Troyer.

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NASD Dispute Resolution

Arbitration No. 03-00485

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### ARBITRATION PANEL

David P. Oetting, Esq.

Sole Public Arbitrator

/s/ David P. Oetting, Esq.  
David P. Oetting, Esq.

3/16/05  
(Signature Date)

3/16/05  
Date of Service (For NASD-DR office use only)

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Date of Service (For NASD-DR office use only)