

AWARD
NASD Dispute Resolution

In the Matter of the Arbitration Between

Names of Claimants

John and Marylyn DeFilippo

and

Case Number: 03-03423
Hearing Site: Houston, Texas

Names of Respondents

CIBC World Markets Corp.,
Christopher A. Zook, Jr.,
James Casey Hodges, and
CAZ Investments

NATURE OF DISPUTE

Customers v. Member Firm, Associated Persons and Non-Member Firm

REPRESENTATION OF PARTIES

John and Marylyn DeFilippo ("**Claimants**") were represented by Leonard J. Meyer, Esq., of Zimmerman, Axelrad, Meyer, Stern & Wise, in Houston, Texas.

CIBC World Markets Corp. ("**CIBC**"), Christopher A. Zook, Jr. ("**Zook**"), James Casey Hodges ("**Hodges**") were represented by Andrew R. Harvin, Esq., of Doyle, Restrepo, Harvin & Robbins, LLP, in Houston, Texas.

CAZ Investments ("**CAZ Investments**") in Houston, Texas did not submit to arbitration.

CASE INFORMATION

The Statement of Claim was filed on or about May 8, 2003.

The Submission Agreement of Claimants, John and Marylyn DeFilippo, was signed on or about April 23, 2003.

The Joint Statement of Answer and Motion to Dismiss was filed by Respondents, CIBC World Markets Corp., Christopher A. Zook, Jr., and James Casey Hodges, on or about July 1, 2003.

The Submission Agreement of Respondent, CIBC World Markets Corp., was signed on or about June 30, 2003.

The Submission Agreement of Respondent Christopher A. Zook, Jr. was signed on or about June 26, 2003.

The Submission Agreement of Respondent James Casey Hodges was signed on or about June 26, 2003.

Respondent CAZ Investments filed its Refusal to Submit to Arbitration on or about July 1, 2003.

CASE SUMMARY

Claimants asserted the following causes of action: negligence, failure to supervise, suitability, and misrepresentation. The causes of action relate to the recommendation and purchase of the Omega Fund, Lazard Overseas Fund, Troon Hedge Fund and three Opportunistic trading accounts. Claimants allege that Respondents improperly invested their money into highly speculative funds that did not follow their investment objectives.

Unless specifically admitted in their Answer, Respondents, CIBC World Markets Corp., Christopher A. Zook, Jr., and James Casey Hodges, denied the allegations made in the Statement of Claim and asserted affirmative defenses including the following: the Statement of Claim fails to state any cause of action against Respondents for which relief may be granted; to hold Respondents responsible under the suitability rules would improperly transfer the money managers; responsibility for investment selection, allocation and timing to the Respondents; Respondents' recommendation that Claimants retain their position in Troon in the fall of 2000 is not actionable under securities law or NASD Rule 2310 because Respondents did not recommend the "purchase" or "sale" of "any security;" the losses sustained since March of 2000, were proximately caused by market forces; In the fall of 2001, Claimants transferred their accounts to CAZ Investments, and invested new money there; by contract and under law, CIBC is not responsible for any recommendations made by CAZ Investments or for its investment performance; Claimants' claims are barred by the doctrines of estoppel, ratification and waiver.

RELIEF REQUESTED

Claimant requested an award in the amount of:

Actual/Compensatory	\$147,393
Punitive/Exemplary	Unspecified
Interest	Unspecified
Attorney's Fees	Unspecified
Other Costs	Unspecified

Other Monetary Relief

Unspecified

Respondents requested that the claims asserted against them be denied in their entirety and that they be awarded their costs and attorneys' fees.

OTHER ISSUES CONSIDERED & DECIDED

Respondent CAZ Investments is neither a NASD member firm nor an associated person of an NASD member firm. Claimant did not present a contract to arbitrate with this Respondent and Respondent CAZ Investments did not voluntarily submit to NASD arbitration. In the absence of Respondent CAZ's voluntary submission NASD does not have jurisdiction over this party.

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 NASD Dispute Resolution ("NASD").

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.) Claimants' claims, each and all, are hereby denied and dismissed with prejudice in their entirety;
- 2.) Other than Forum Fees which are specified below, the parties shall each bear their own costs and expenses incurred in this matter;
- 3.) Any relief not specifically enumerated, including punitive damages and attorney fees, is hereby denied with prejudice.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

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

Initial claim filing fee = \$300.00

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 persons at the time of the events giving rise to the dispute. In this matter, the member firm is CIBC World Markets Corp.

Member surcharge	= \$ 1700.00
Pre-hearing process fee	= \$ 750.00
Hearing process fee	= \$ 2750.00

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 arbitrators, including a pre-hearing conference with the arbitrators, that lasts four (4) hours or less. Fees associated with these proceedings are:

One (1) Pre-hearing session with Panel x \$1125.00	= \$ 1125.00
Pre-hearing conference: November 4, 2003	1 session
Nine (9) Hearing sessions x \$1125.00	= \$10,125.00
Hearing Dates: March 30, 2004	2 sessions
March 31, 2004	2 sessions
April 1, 2004	3 sessions
April 2, 2004	1 session
June 6, 2004	1 session
Total Forum Fees	= \$11,250.00

The Arbitration Panel has assessed \$5625.00 of the forum fees jointly and severally to John and Marylyn DeFilippo.

The Arbitration Panel has assessed \$5625.00 of the forum fees jointly and severally to CIBC World Markets Corp., Christopher A. Zook, Jr., and James Casey Hodges.

FEE SUMMARY

Claimants, John and Marylyn DeFilippo, are jointly and severally liable for:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$ 5625.00
Total Fees	= \$ 5925.00
Less payments	= \$ 1425.00
Balance Due NASD Dispute Resolution	= \$ 4500.00

Respondent, CIBC World Markets Corp., is liable for:

Member Fees	= \$ 5200.00
Total Fees	= \$ 5200.00
Less payments	= \$ 5200.00
Balance Due NASD Dispute Resolution	= \$ 0.00

Respondents, CIBC World Markets Corp., Christopher A. Zook, Jr., and James Casey Hodges, are jointly and severally liable for:

Forum Fees	= \$ 5625.00
Total Fees	= \$ 5625.00
Less payments	= \$ 5625.00
Balance Due NASD Dispute Resolution	= \$ 5625.00

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

ARBITRATION PANEL

Leonard J. Sullivan, Esq. - Public Arbitrator, Presiding Chair
Leonard S. Alpert - Public Arbitrator
James M. Alexander - Non-Public Arbitrator

Concurring Arbitrators:

/s/ Leonard J. Sullivan, Esq.
Leonard J. Sullivan, Esq.
Public Arbitrator, Presiding Chair

06/15/2004
Signature Date

/s/ Leonard S. Alpert
Leonard S. Alpert
Public Arbitrator

06/15/2004
Signature Date

/s/ James M. Alexander
James M. Alexander
Non-Public Arbitrator

06/15/2004
Signature Date

06/15/2004
Date of Service (For NASD office use only)

ARBITRATION PANEL

Leonard J. Sullivan, Esq. - Public Arbitrator, Presiding Chair
Leonard S. Alpert - Public Arbitrator
James M. Alexander - Non-Public Arbitrator

Concurring Arbitrators:



Leonard J. Sullivan, Esq.
Public Arbitrator, Presiding Chair

6/15/04
Signature Date

Leonard S. Alpert
Public Arbitrator

Signature Date

James M. Alexander
Non-Public Arbitrator

Signature Date

Date of Service (For NASD office use only)

ARBITRATION PANEL

Leonard J. Sullivan, Esq. - Public Arbitrator, Presiding Chair

Leonard S. Alpert - Public Arbitrator

James M. Alexander - Non-Public Arbitrator

Concurring Arbitrators:

Leonard J. Sullivan, Esq.
Public Arbitrator, Presiding Chair

Signature Date

Leonard S. Alpert
Leonard S. Alpert
Public Arbitrator

June 15 2004
Signature Date

James M. Alexander
Non-Public Arbitrator

Signature Date

Date of Service (For NASD office use only)

ARBITRATION PANEL

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Leonard S. Alpert - Public Arbitrator
James M. Alexander - Non-Public Arbitrator

Concurring Arbitrators:

Leonard J. Sullivan, Esq.
Public Arbitrator, Presiding Chair

Signature Date

Leonard S. Alpert
Public Arbitrator

Signature Date



James M. Alexander
Non-Public Arbitrator

6-15-04
Signature Date

Date of Service (For NASD office use only)