

Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:

George Adonakakis (Claimant) v. Shields & Company and Jacques Chrysochoos (Respondents)

Case Number: 04-00689

Hearing Site: New York, New York

Nature of the Dispute: Customer vs. Member and Associated Person.

REPRESENTATION OF PARTIES

Claimant George Adonakakis ("Adonakakis") hereinafter referred to as "Claimant": Hassan H. Elkhail, Esq., Elkhail & Associates, LLC, Marietta, GA.

Respondent Shields & Company ("Shields"): Michael P. Kaelin, Esq., Gregory and Adams, P.C., Wilton, CT. Previously represented by: Kevin Kamdar, Esq., Shields & Company, New York, NY.

Respondent Jacques Chrysochoos ("Chrysochoos"): Francis M. Curran, Esq., Akerman Senterfitt, Tampa, FL. Previously *pro se*.

CASE INFORMATION

Statement of Claim filed on or about: February 3, 2004.

The First Amended Statement of Claim filed on or about: February 10, 2005.

Claimant signed the Uniform Submission Agreement: October 22, 2003.

Statement of Answer filed by Respondent Shields on or about: March 25, 2004.

Answer to the Amended Statement of Claim filed by Respondent Shields on or about: February 25, 2005.

Respondent Shields signed the Uniform Submission Agreement: March 24, 2004.

Answer filed by Respondent Shields on or about: February 25, 2005.

Statement of Answer filed by Respondent Chrysochoos on or about: July 27, 2004.

Respondent Chrysochoos did not sign the Uniform Submission Agreement.

CASE SUMMARY

Claimant asserted the following causes of action: breach of fiduciary duty; misrepresentation; omission of fact; unsuitability; violation of the Securities Act of 1933 and Florida Statute 517; fraud; forgery; and failure to supervise. The causes of action relate to fraudulent withdrawals of funds ("conversion") and to shares of Alis.

Unless specifically admitted in its Answer, Respondent Shields denied the allegations made in the Statement of Claim and asserted various affirmative defenses.

Unless specifically admitted in his Answer, Respondent Chrysochoos denied the allegations made in the Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

Claimant requested compensatory damages in the amount of \$158,645.59 for the funds converted from account #783; compensatory damages in the amount of \$73,700.00 for the Alis transaction; interest; punitive damages in the amount of \$3,000,000.00; attorneys' fees pursuant to Fla. Stat. §517.211(6); expenses; and any other losses.

Respondent Shields requested that Claimant's Statement of Claim be dismissed in its entirety with prejudice; costs and expenses, including attorneys' fees; and such other and further relief as deemed just and equitable.

Respondent Chrysochoos requested that Claimant's Statement of Claim be dismissed in its entirety with prejudice; costs and expenses, including attorneys' fees; and such other and further relief as deemed just and equitable.

OTHER ISSUES CONSIDERED AND DECIDED

Respondent Chrysochoos did not file with NASD Dispute Resolution a properly executed Uniform Submission Agreement but is required to submit to arbitration pursuant to the Code and, having answered the claim, and appeared and testified at the hearing, is bound by the determination of the Panel on all issues submitted.

Respondent Chrysochoos did not appear at the first hearing session scheduled on March 29, 2005. However, his attorney, Francis Curran, Esq., was present. The Panel ruled that it would hear Claimant's direct testimony and only his direct testimony on that day. Respondent Chrysochoos appeared for the subsequent hearings on March 30, 2005 and March 31, 2005.

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.

AWARD

After considering the pleadings, and 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. Claimant's claims are denied in their entirety.
2. 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 will retain or collect the non-refundable filing fees for each claim:

Initial claim filing fee = \$600.00

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, Shields & Company is a party.

Member surcharge = \$2,800.00

Pre-hearing process fee = \$ 750.00

Hearing process fee = \$5,000.00

Forum Fees and Assessments

The Panel has assessed forum fees for each session conducted. A 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 @ \$1,200.00 = \$1,200.00

Pre-hearing conference: July 13, 2004 1 session

Six (6) Hearing sessions @ \$1,200.00 = \$7,200.00

Hearing Dates: March 29, 2005 2 sessions

March 30, 2005 2 sessions

March 31, 2005 2 sessions

Total Forum Fees = \$8,400.00

1. The Panel has assessed \$2,800.00 of the forum fees against Claimant.
2. The Panel has assessed \$2,800.00 of the forum fees against Respondent Shields.
3. The Panel has assessed \$2,800.00 of the forum fees against Respondent Chrysochoos.

Fee Summary

1. Claimant is solely liable for:

Initial Filing Fee = \$ 600.00

Forum Fees = \$ 2,800.00

Total Fees	= \$ 3,400.00
<u>Less payments</u>	<u>= \$ 1,800.00</u>
Balance Due NASD Dispute Resolution	= \$ 1,600.00

2. Respondent Shields is solely liable for:

Member Fees	= \$ 8,550.00
<u>Forum Fees</u>	<u>= \$ 2,800.00</u>
Total Fees	= \$11,350.00
<u>Less payments</u>	<u>= \$ 8,550.00</u>
Balance Due NASD Dispute Resolution	= \$ 2,800.00

3. Respondent Chrysochoos is solely liable for:

<u>Forum Fees</u>	<u>= \$ 2,800.00</u>
Total Fees	= \$ 2,800.00
<u>Less payments</u>	<u>= \$ 0.00</u>
Balance Due NASD Dispute Resolution	= \$ 2,800.00

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

ARBITRATION PANEL

Joseph F. Kelley	-	Public Arbitrator, Presiding Chairperson
Jean C. Fox	-	Public Arbitrator
Jeffrey Bega	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

I, the undersigned arbitrator, do hereby affirm, pursuant to Article 7507 of the Civil Practice Law and Rules, that I am the individual described herein and who executed this instrument which is my award.

Joseph F. Kelley
Public Arbitrator, Presiding Chairperson

Signature Date

Jean C. Fox
Jean C. Fox
Public Arbitrator

5/13/05
Signature Date

Jeffrey Bega
Non-Public Arbitrator

Signature Date

May 23, 2005
Date of Service (For NASD Dispute Resolution use only)

ARBITRATION PANEL

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Jean C. Fox	-	Public Arbitrator
Jeffrey Bega	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

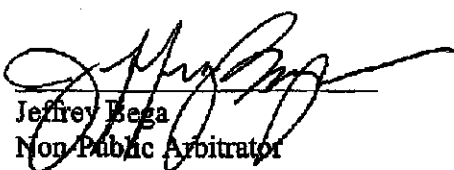
I, the undersigned arbitrator, do hereby affirm, pursuant to Article 7517 of the Civil Practice Law and Rules, that I am the individual described herein and who execute this instrument which is my award.

Joseph F. Kelley
Public Arbitrator, Presiding Chairperson

Signature Date

Jean C. Fox
Public Arbitrator

Signature Date



Jeffrey Bega
Non-Public Arbitrator

5/23/05

Signature Date

MAY 23 2005
Date of Service (For NASD Dispute Resolution use only)

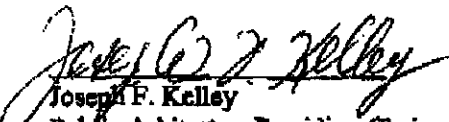
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