

**Award
NASD Dispute Resolution**

In the Matter of the Arbitration Between:

Emerson Investment Corp Profit Sharing Plan, Claimant v. Cambridge Group Investments, LTD, Respondent

Case Number: 05-00160

Hearing Site: Las Vegas, Nevada

Nature of the Dispute: Customer v. Member

REPRESENTATION OF PARTIES

For Claimant:

Steven E. Clayton
Pro Se
Las Vegas, Nevada

For Respondent:

Christopher R. Royce,
Esq.
Howard & Howard
Ann Arbor, Michigan

CASE INFORMATION

Initial Statement of Claim filed: January 10, 2005

Amended Statement of Claim filed: March 16, 2005

Claimant's Uniform Submission Agreement signed: January 11, 2005

Initial Statement of Answer filed by Respondent: March 4, 2005

Statement of Answer to Amended Statement of Claim filed by Respondent: March 30, 2005

Respondent's Uniform Submission Agreement signed: March 3, 2005

CASE SUMMARY

Claim

In its initial Statement of Claim, Claimant asserted the following causes of action: negligence, misrepresentation, deception, false advertising, failure to disclose conflicts of interest, and failure to supervise. The causes of action relate to Claimant's purchase of Levi Straus, Fleming, and Delta bonds.

Unless specifically admitted in its Answer, Respondent denied the allegations of wrongdoing set forth in Claimant's Statement of Claim and asserted various affirmative defenses.

Amended Claim

In its Amended Statement of Claim, Claimant asserted the following causes of action: false advertising, misrepresentations/non-disclosures, conflicts of interest, breach of fiduciary duty, omissions of facts, and mark-ups. The causes of action relate to the purchase of unspecified bonds for Claimant's account.

Unless specifically admitted in its Answer to the Amended Statement of Claim, Respondent denied the allegations of wrongdoing set forth in Claimant's Amended Statement of Claim and asserted various affirmative defenses.

RELIEF REQUESTED

Claim

Claimant requested \$92,675.00 in compensatory damages and \$1,000,000.00 in punitive damages.

Respondent requested dismissal of Claimant's Statement of Claim in its entirety and costs, including attorney's fees.

Amended Claim

Claimant requested \$92,675.00 in compensatory damages, additional unspecified compensatory damages, \$1,000,000.00 in punitive damages, pre- and post-judgment interest, and costs, including attorney's fees.

Respondent requested dismissal of Claimant's Amended Statement of Claim in its entirety and costs, including attorney's fees.

OTHER ISSUES CONSIDERED AND DECIDED

On October 31, 2005, Claimant filed a document entitled Damage Totals for Statement of Claim and Amended Statement of Claim. On January 5, 2006, Respondent filed an Answer to Second Amended Statement of Claim. On January 27, 2006, the Panel issued an Order granting Claimant's motion to amend the Statements of Claim to reflect a revised damage calculation that included an additional \$19,387.03 in compensatory damages for overcharges of undisclosed commissions and interest.

The parties 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, testimony, and evidence presented at the hearing, the Panel decided in full and final resolution of the issues submitted for determination as follows:

- 1) Respondent is liable to and shall pay Claimant the sum of \$6,745.00 in compensatory damages.
- 2) The parties shall bear their respective costs, including attorney's fees.
- 3) Any and all relief not specifically addressed herein, is denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

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

Initial claim filing fee	= \$ 500.00
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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. Accordingly, the member firm Cambridge Group Investments, LTD is a party, and the following fees are assessed:

Member Surcharge	= \$2,800.00
Pre-Hearing Process Fee	= \$ 750.00
Hearing Process Fee	= \$5,000.00
Total Member Fees	= \$8,550.00

Adjournment Fees

The following adjournment fees are assessed:

February 14 – 16, 2006, adjournment requested by Claimant	= \$1,200.00
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The Panel assessed the adjournment fee to Respondent.

Forum Fees and Assessments

The Panel has assessed forum fees for each session conducted or each decision rendered on a discovery-related motion on the papers. A session is any meeting between the parties and the arbitrator(s), including a pre-hearing conference with the arbitrator(s), which lasts four (4) hours or less. Fees associated with these proceedings are:

One (1) decision on a discovery-related motion on the papers with (1) one arbitrator @ \$200.00 Claimant submitted one discovery-related motion			= \$ 200.00
One (1) pre-hearing conference session with a single arbitrator @ \$450.00/session Pre-hearing conference:	February 3, 2006	1 session	= \$ 450.00
One (1) pre-hearing conference session with the Panel @ \$1,200.00/session Pre-hearing conference:	May 24, 2005	1 session	= \$1,200.00
(6) Hearing sessions @ \$1,200.00/session Hearings:	September 26, 2006 September 27, 2006 September 28, 2006	2 sessions 2 sessions 2 sessions	= \$7,200.00
<hr/> Total Forum Fees			= \$ 9,050.00

1. The Panel assessed \$4,525.00 of the forum fees to Claimant.
2. The Panel assessed \$4,525.00 of the forum fees to Respondent.

Fee Summary

1. Claimant is charged with the following fees and costs:	
Initial Filing Fee	= \$ 500.00
Forum Fees	= \$ 4,525.00
Total Fees	= \$ 5,025.00
Less payments	= \$(2,300.00)
Balance Due NASD Dispute Resolution	= \$ 2,725.00

2. Respondent is charged with the following fees and costs:

Member Fees	= \$ 8,550.00
Adjournment Fee	= \$ 1,200.00
Forum Fees	= \$ 4,525.00
Total Fees	= \$14,275.00
Less payments	= \$(9,150.00)
Balance Due NASD Dispute Resolution	= \$ 5,125.00

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

ARBITRATION PANEL

Patrick Owen King	-	Public Arbitrator, Presiding Chair
James F. Zotter	-	Public Arbitrator
Daniel G. Anderson, II	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

Patrick O. King
Patrick Owen King
Chair, Public Arbitrator

10-3-06
Signature Date

James F. Zotter
Public Arbitrator

Signature Date

Daniel G. Anderson, II
Non-Public Arbitrator

Signature Date

10/5/06
Date of Service

ARBITRATION PANEL

<i>Patrick Owen King</i>	-	<i>Public Arbitrator, Presiding Chair</i>
<i>James F. Zotter</i>	-	<i>Public Arbitrator</i>
<i>Daniel G. Anderson, II</i>	-	<i>Non-Public Arbitrator</i>

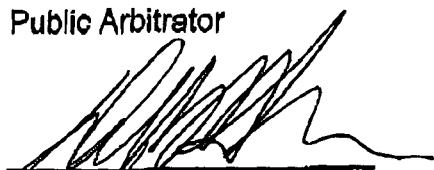
Concurring Arbitrators' Signatures

Patrick Owen King
Chair, Public Arbitrator

Signature Date

James F. Zotter
Public Arbitrator

Signature Date



Daniel G. Anderson, II
Non-Public Arbitrator

10/12/06

Signature Date

10/5/06

Date of Service

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Public Arbitrator

10/5/06

Signature Date

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Signature Date

10/12/06

Date of Service