

Amended Award
NASD Dispute Resolution

In the Matter of the Arbitration Between:
DeeAnn Phillips, Claimant v. Lawrence S. Jay, Respondent

Case Number: 05-01391

Hearing Site: Los Angeles, California

Nature of the Dispute: Customer v. Associated Person

REPRESENTATION OF PARTIES

For Claimant:

Montgomery G. Griffin, J.D.
Securities Arbitration Offices of
Montgomery G. Griffin, J.D.
Newport Beach, California

For Respondent:

Lawrence S. Jay
In Propria Persona
Camarillo, California

CASE INFORMATION

Statement of Claim filed: March 14, 2005

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

Statement of Answer filed by Respondent: May 3, 2005

CASE SUMMARY

Claimant alleged unsuitability, breach of fiduciary duty, excessive commissions, and violation of NASD and NYSE Rules, involving transactions in Ginnie Mae securities.

Respondent denied the allegations of wrongdoing set forth in the Claimant's Statement of Claim.

RELIEF REQUESTED

In the Statement of Claim, Claimant requested \$136,585.00 in compensatory damages, unspecified punitive damages, interest from August 31, 2001 to the date paid, and costs, including attorney's fees.

At the hearing on September 27, 2005, Claimant requested \$211,252.00 in compensatory damages.

Respondent requested dismissal of the Claimant's Statement of Claim in its entirety.

OTHER ISSUES CONSIDERED AND DECIDED

Respondent did not file with NASD Dispute Resolution a properly executed submission agreement but is required to submit to arbitration pursuant to the *NASD Code of Arbitration Procedure* (Code) and is bound by the determination of the Panel on all issues submitted.

On March 1, 2005, Claimant and Claimant's counsel signed a Waiver Agreement expressly waiving any and all rights and benefits under California Civil Code Section 1542 and the California Ethical Standards for Neutral Arbitrators.

Pursuant to the Code of Arbitration Procedure IM-10100, the waiver of the Claimant shall constitute and operate as a waiver for all member firms and associated persons (including terminated or otherwise inactive member firms or associated persons) against whom the Claim has been filed.

Upon review of the file and the representations made on behalf of the Claimant, the undersigned Panel determined that Respondent Lawrence S. Jay was properly served with the Statement of Claim and received due notice of the hearing, and that arbitration of the matter would proceed without said Respondent present, in accordance with the Code.

At the hearing on September 27, 2005, Claimant amended her request for compensatory damages from \$136,585.00 to \$211,252.00. Pursuant to Rule 10328(b) of the Code, the Panel accepted the amendment.

The Award served on September 27, 2005, incorrectly stated that Respondent Lawrence S. Jay did not file an Answer to Claimant's Statement of Claim. The Award is amended for the sole purpose of correcting this ministerial error to accurately reflect that Respondent did file an Answer on May 3, 2005. All other information contained in this Award is accurate and remains unchanged.

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 Lawrence S. Jay is liable to and shall pay Claimant the sum of \$211,252.00 in compensatory damages.
- 2) Respondent Lawrence S. Jay is liable to and shall pay Claimant the sum of \$100,000.00 in punitive damages.
- 3) The parties shall bear their respective costs, including attorney's fees.
- 4) All other relief requested and not expressly granted is denied.

FEEES

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 = \$ 300.00

Forum Fees and Assessments

The Panel assessed a forum fee for each pre-hearing conference or hearing session conducted. A pre-hearing conference and hearing session is any meeting between the parties and the Chair or the parties and the Panel. The following fees are assessed:

Two (2) Pre-hearing conference session with the Panel @ \$1,125.00/session = \$ 2,250.00
Pre-hearing conference: July 13, 2005 1 session
July 21, 2005 1 session

One (1) Hearing sessions @ \$1,125.00/session = \$ 1,125.00
Hearings: September 27, 2005 1 session

Total Forum Fees = \$ 3,375.00

The Panel assessed \$3,375.00 of the forum fees to Respondent Lawrence S. Jay.

Fee Summary

1. Claimant DeeAnn Phillips is charged with the following fees and costs:

Initial Filing Fee = \$ 300.00
Less payments = \$(1,425.00)
Refund Due Claimant DeeAnn Phillips = \$(1,125.00)

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

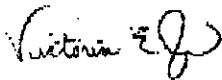
Forum Fees = \$ 3,375.00
Less payments = \$ (0.00)
Balance Due NASD Dispute Resolution = \$ 3,375.00

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

Victoria E. Johnson	-	Public Arbitrator, Presiding Chair
Michael R. Mitchell	-	Public Arbitrator
Jeffrey E. Skogsbergh	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures



Victoria E. Johnson
Chair, Public Arbitrator

4 October 2005

Signature Date

Michael R. Mitchell
Public Arbitrator

Signature Date

Jeffrey E. Skogsbergh
Non-Public Arbitrator

Signature Date

10/04/05
Date of Service

ARBITRATION PANEL

Victoria E. Johnson	- Public Arbitrator, Presiding Chair
Michael R. Mitchell	- Public Arbitrator
Jeffrey E. Skogsbergh	- Non-Public Arbitrator

Concurring Arbitrators' Signatures

Victoria E. Johnson
Chair, Public Arbitrator

Signature Date



Michael R. Mitchell
Public Arbitrator

Oct. 3, 2005
Signature Date

Jeffrey E. Skogsbergh
Non-Public Arbitrator

Signature Date

10/04/05
Date of Service

ARBITRATION PANEL

Victoria E. Johnson	-	Public Arbitrator, Presiding Chair
Michael R. Mitchell	-	Public Arbitrator
Jeffrey E. Skogsbergh	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

Victoria E. Johnson
Chair, Public Arbitrator

Signature Date

Michael R. Mitchell
Public Arbitrator

Signature Date



Jeffrey E. Skogsbergh
Non-Public Arbitrator

9/30/05

Signature Date

10/04/05

Date of Service