

AWARD
NASD Dispute Resolution

In the Matter of the Arbitration Between

Name of Claimant

Tom Searcy

and

Case Number: 05-02271
Hearing Site: Houston, Texas

Names of Respondents

Southwest Securities, Inc.,
and Ted Wilson Doyle

NATURE OF DISPUTE

Customer v. Member Firm and Associated Person

REPRESENTATION OF PARTIES

Tom Searcy ("**Claimant**") was represented by Jon M. Smith, Esq., Kincaid, Horton & Smith, Austin, Texas.

Southwest Securities, Inc. ("**Southwest**") and Ted Wilson Doyle ("**Doyle**"), hereinafter collectively referred to as "**Respondents**," were represented by David B. Dyer, Esq., Secore & Waller, L.L.P., Dallas, Texas.

CASE INFORMATION

The Statement of Claim was filed on or about April 29, 2005. The Submission Agreement of Claimant was signed on or about April 15, 2005.

A Statement of Answer was filed jointly by Respondents, Southwest and Doyle, on or about June 23, 2005. The Submission Agreement of Southwest was signed on or about May 11, 2005, by Jerome S. Wade. The Submission Agreement of Doyle was signed on or about May 20, 2005.

CASE SUMMARY

Claimant asserted the following causes of action: Sec. 12(2) of the Securities Act of 1933; violation of Tex. Rev. Civ. Stat. Art. 581-33; violation of the Texas Deceptive Trade Practices Act; breach of fiduciary duty; common law fraud; statutory fraud; negligent misrepresentation; negligence; breach of contract; and respondeat superior. The causes

of action related to the recommendation and purchase of Tarrant County Hospital bonds. Claimant alleged that Respondents failed to properly advise him regarding the investment of his funds which led to substantial losses in his account.

Unless specifically admitted in their Answer, Respondents denied the allegations made in the Statement of Claim and asserted affirmative defenses including the following: the Statement of Claim fails to state a claim upon which relief can be granted; Claimant assumed the risk of loss; Claimant's claims based on alleged negligence are barred, in whole or in part, by his own negligence; and Respondents' handling of Claimant's brokerage account was in accordance with applicable regulatory requirements and brokerage industry standards and guidelines.

RELIEF REQUESTED

Claimant requested an award in the amount of \$70,000.00 in compensatory damages, interest, costs and attorneys' fees and other relief the panel deemed just and proper.

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

At the hearing, Respondent Doyle orally requested that the Panel enter an order recommending expungement of his CRD records of all references to this proceeding.

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) Claimant's claims, each and all, are denied and dismissed with prejudice;
- 2) The Panel recommends the expungement of all reference to the above captioned arbitration from Respondent Ted Wilson Doyle's registration records maintained by the Central Registration Depository ("CRD"), with the understanding that pursuant to NASD Notice to Members 04-16, Respondent Ted Wilson Doyle must obtain confirmation from a court of competent

jurisdiction before the CRD will execute the expungement directive.

Unless specifically waived in writing by NASD, parties seeking judicial confirmation of an arbitration award containing expungement relief must name NASD as an additional party and serve NASD with all appropriate documents.

Pursuant to Rule 2130, the arbitration panel has made the following affirmative finding of fact:

The claim, allegation, or information is false as to Respondent Doyle.

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

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution will retain the non-refundable filing fee for each claim:

Initial claim filing fee = \$ 225.00

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. In this matter, the member firm is Southwest Securities, Inc.

| | |
|-------------------------|--------------|
| Member surcharge | = \$1,100.00 |
| Pre-hearing process fee | = \$ 750.00 |
| Hearing process fee | = \$1,700.00 |

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 \$750.00 = \$ 750.00

Pre-hearing conference: September 26, 2005 1 session

Four (4) Hearing sessions x \$3,000.00 = \$3,000.00

Hearing Dates: April 26, 2006 2 sessions

April 27, 2006 2 sessions

Total Forum Fees = \$3,750.00

The Arbitration Panel has assessed \$1,875.00 of the forum fees to Tom Searcy.

The Arbitration Panel has assessed \$1,875.00 of the forum fees to Southwest Securities, Inc.

Fee Summary

Claimant, Tom Searcy, is liable for:

Initial Filing Fee = \$ 225.00

Forum Fees = \$1,875.00

Total Fees = \$2,100.00

Less payments = \$ 975.00

Balance Due NASD Dispute Resolution = \$1,125.00

Respondent, Southwest Securities, Inc., is liable for:

Member Fees = \$3,550.00

Forum Fees = \$1,875.00

Total Fees = \$5,425.00

Less payments = \$3,550.00

Balance Due NASD Dispute Resolution = \$1,875.00

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

ARBITRATION PANEL

Edward Thomas Leech - Public Arbitrator, Presiding Chair
Walton L. Huff - Public Arbitrator
Vernon Keith Roberts - Non-Public Arbitrator

Concurring Arbitrators:

/s/ Edward Thomas Leech
Edward Thomas Leech
Public Arbitrator, Presiding Chair

05/03/06
Signature Date

/s/ Walton L. Huff
Walton L. Huff
Public Arbitrator

05/02/06
Signature Date

/s/ Vernon Keith Roberts
Vernon Keith Roberts
Non-Public Arbitrator

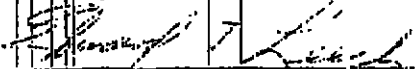
05/03/06
Signature Date

05/03/06
Date of Service (For NASD office use only)

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Concurring Arbitrators:



Edward Thomas Leech
Public Arbitrator, Presiding Chair

05-03-06

Signature Date

Walton L. Huff
Public Arbitrator

Signature Date

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