

**NASD DISPUTE RESOLUTION AWARD**  
**NASD DISPUTE RESOLUTION**

---

CASE: 05-03669

Gwen Brubaker, (Claimant) vs. Eric Dean Jacobs and Brookstreet Securities Corporation,  
(Respondents)

---

**ATTORNEYS:**

Claimant appeared *pro se*, La Mesa, CA.

Respondent Eric Dean Jacobs ("Jacobs") appeared *pro se*, San Marcos, CA.

For Respondent Brookstreet Securities Corporation ("BSC") appeared H. Thomas Fehn, Esq., of  
the firm Fields, Fehn & Sherwin, Los Angeles, CA.

Eric Dean Jacobs and Brookstreet Securities Corporation are hereinafter collectively referred to  
as "Respondents".

---

**NATURE OF DISPUTE:** Customer v. Member and Associated Person

---

**DATE FILED:** July 18, 2005

---

**CASE SUMMARY:** Claimant alleged that Respondents misrepresented and omitted material  
facts regarding investments made in her account. Claimant maintained that due to Respondents'  
actions, she suffered financial losses. Claimant's claim involved various common stock.

---

**ARBITRATOR'S REPORT:** See attached Exhibit A.

---

**Claim Data**

Claim: \$20,000.00  
Interest: Unspecified  
Filing Fees: Unspecified  
Other: Unspecified

**Award Data**

Award: \$.00  
Interest: \$.00  
Filing Fees: \$.00  
Other: \$.00

---

**AWARD:** The undersigned arbitrator has decided and determined in full and final resolution of  
the issues submitted for determination as follows: 1) The claims of the Claimant are dismissed  
in their entirety. 2) All requests for interest are denied. 3) All other relief requests are denied.  
4) NASD Dispute Resolution shall retain the \$425.00 filing fee that the Claimant deposited  
previously.

---

**OTHER FEES:** Pursuant to Rule 10333 of the Code, Respondent, Brookstreet Securities  
Corporation, has paid to NASD Dispute Resolution the \$425.00 Member Surcharge previously  
invoiced.

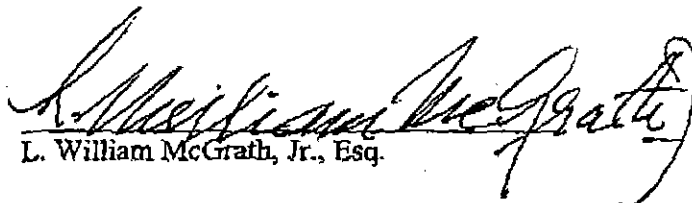
Page Two  
Award 05-03669

L. William McGrath, Jr., Esq.

Sole Public Arbitrator

AFFIRMATION

I, L. William McGrath, Jr., Esq., do hereby affirm, upon my oath as arbitrator that I am the individual described herein who executed this instrument, which is my oath and award.

  
L. William McGrath, Jr., Esq.

  
(Signature Date)

March 3, 2006  
Date of Service (For NASD-DR office use only)

# Exhibit A

## SUMMARY OF DECISION

The claimant has the initial burden of proving a legal cause of action. It is not enough that the claimant establishes that she suffered a loss. It also is not enough that the respondent Jacobs had said that he believed the particular investment was sound or safe. The claimant must establish some element of fraud, as that is concept is used in the civil sense. This requirement includes proving not only the representations were made and that they were false, but that claimant reasonably relied upon those representations.

Claimant states that she was contacted by respondent Jacobs in November 2003. The first actual date appears on an e-mail dated November 12, 2003. This is two days before claimant's check for \$20,000 was signed. There are only a few e-mails and they offer no insight into the relationship between the parties, why claimant should have reasonably relied on any representation of Jacobs, or that, at the time any representations were being made, Jacobs knew or should have known them to be false. Indeed, almost a year later, in an e-mail dated September 1, 2004, claimant sets forth a resume that reflects a strong business background that raises further the question of how much she may have relied on any statements from Jacobs.

Claimant tries to tie in Brookstreet Securities Corporation as the respondeat superior to Jacobs. She asserts that she was concerned with dealing with a "lone ranger" and relied on the fact that Jacobs worked for Brookstreet. This appears to be in direct conflict with claimant's e-mail to Jacobs on November 12, 2003, asking- "Where is your office now? And what is the company you are working for (emphasis added)?

Almost all of the documentary evidence relate to the year that followed claimant's investment. Unfortunately, none of the parties has seen fit to chronicle or explain the sequence of events that occurred. The only thing that seemed apparent was that claimant and Jacobs continued to be in contact with each other about various events that occurred while this venture was trying to be salvaged in some form or the other. Again, nothing in this chronology helped to shed any light on any alleged misconduct by Jacobs.

For the reasons set forth above, claimant's claim must be denied because of her failure to meet her initial burden of proof.