

AWARD
NASD Dispute Resolution

In the Matter of the Arbitration Between

Name of Claimant

Pat Stanley Burge

and

Case Number: 05-03998
Hearing Site: Houston, Texas

Name of Respondent

IMS Securities, Inc.

NATURE OF DISPUTE

Associated Person v. Member Firm

REPRESENTATION OF PARTIES

Pat Stanley Burge ("**Claimant**") was represented by Angelia Wood, Esq., Mattingly & Schneider, PLLC, Houston, Texas.

IMS Securities, Inc. ("**Respondent**") was represented by J. Randle Henderson, Esq., The Law Office of J. Randle Henderson, Houston, Texas.

CASE INFORMATION

The Statement of Claim was filed on or about August 2, 2005. The Submission Agreement of Claimant, Pat Stanley Burge, was signed on or about July 18, 2005.

The Statement of Answer was filed by Respondent, IMS Securities, Inc., on or about August 29, 2005. The Submission Agreement of Respondent, IMS Securities, Inc., was signed on or about August 29, 2005.

CASE SUMMARY

Claimant asserted the following causes of action: breach of employment contract and libel and slander on his form U-5. Claimant alleged that IMS Securities falsely claimed his termination was for cause, improperly withheld fees owed to Claimant and sought payment or errors and omissions insurance premiums paid on behalf of Claimant. Claimant alleged that his separation from IMS was voluntary and the false information transmitted by IMS on his U-5 constitutes defamation *per se* as it concerns Claimant's work performance and qualifications in his chosen profession.

Unless specifically admitted in its Answer, Respondent denied the allegations made in the Statement of Claim.

RELIEF REQUESTED

Claimant requested an award in the amount of:

Actual/Compensatory Damages	\$20,000.00
Punitive/Exemplary Damages	Unspecified
Attorneys' Fees	Unspecified
Interest	Unspecified
Other Costs	Unspecified
Other Monetary Relief	Unspecified
Specific Performance	amendment of his form U-5

Respondent requested that the claims asserted against it be denied in their entirety and that it be awarded its costs and attorneys' fees.

OTHER ISSUES CONSIDERED & DECIDED

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.) Respondents, IMS Securities, Inc., is liable for and shall pay to Claimant, Pat Stanley Burge, the sum of \$5,000.00 in attorneys' fees pursuant to Texas statute;
- 2.) Other than Forum Fees which are specified below, the parties shall each bear their own costs and expenses incurred in this matter;
- 3.) The Panel recommends the expungement of Claimant, Pat Stanley Burge's, registration records maintained by the NASD Central Registration Depository ("CRD") based on the defamatory nature of the information.

The Panel orders that Respondent, IMS Securities, Inc., change the language for Claimant's U-5 to reflect "voluntary resignation" as opposed to "termination for failure to follow policies and procedures of the firm." and

- 4.) Any relief not specifically enumerated, including punitive damages, 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 = \$ 125.00

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 IMS Securities, Inc.

Member surcharge = \$ 425.00

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 arbitrator(s), 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 \$450.00 = \$ 450.00

Pre-hearing conference: October 21, 2005 1 session

Two (2) Hearing sessions x \$450.00 = \$ 900.00

Hearing Date: January 16, 2006 2 sessions

Total Forum Fees = \$ 1,350.00

The Arbitration Panel has assessed \$675.00 of the forum fees to Pat Stanley Burge.

The Arbitration Panel has assessed \$675.00 of the forum fees to IMS Securities, Inc.

Fee Summary

Claimant, Pat Stanley Burge, is liable for:

Initial Filing Fee	= \$ 125.00
Forum Fees	= \$ 675.00
Total Fees	= \$ 800.00
Less payments	= \$ 575.00
Balance Due NASD Dispute Resolution	= \$ 225.00

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

Member Fees	= \$ 425.00
Forum Fees	= \$ 675.00
Total Fees	= \$ 1,100.00
Less payments	= \$ 425.00
Balance Due NASD Dispute Resolution	= \$ 675.00

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

ARBITRATOR

Dolores Martin -- Non-Public Arbitrator, Presiding Chair

Arbitrator's signature:

/s/ Dolores Martin
Dolores Martin
Non-Public Arbitrator, Presiding Chair

January 20, 2006
Signature Date

January 20, 2006
Date of Service (For NASD office use only)

ARBITRATOR

Dolores Martin - Non-Public Arbitrator, Presiding Chair

Arbitrator's signature:

Dolores Martin
Dolores Martin
Non-Public Arbitrator, Presiding Chair

1-20-06
Signature Date

Date of Service (For NASD office use only)