

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

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In the Matter of the Arbitration Between )

Thomas and Donna Jones, )

Claimants, )

vs. )

Ekistic Financial Services Corp., )  
Integrated Resources Equity Corp., )  
and John F. Orwig, )

Respondents. )

Case #87-01352

Award

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Heard before the members of the Arbitration Panel:

James R. Kennedy Jr., Esq.

Richard J. Jones III, Esq.

Jeffrey Wuliger

CASE SUMMARY

This claim was filed with the NASD, Inc. on July 22, 1987. The hearing was conducted in Tampa, Florida on January 27, 1989, April 20, 1989 and July 21, 1989 with a total of 8 sessions.

Claimants, Thomas and Donna Jones ("the Jones") alleged that Respondents, Ekistic Financial Services Corp. ("Ekistic"), Integrated Resources Equities Corp. ("Integrated"), and John F. Orwig ("Orwig") sold them units in oil partnerships which were unsuitable; violated the Florida and Federal Securities Laws; breached their fiduciary duty; were negligent and were liable for the sale of securities by an unregistered entity. Respondents allege that Mr. Jones gave the impression of being financially suitable for this investment; was a sophisticated investor; should have sold when the price began to drop; should have diversified his portfolio; was aware of all the risks and that Orwig did not recommend the investment.

RELIEF REQUESTED

Claimants requested damages in the amount of Twenty Nine Thousand Five Hundred Eighty-Two and 27/100 (\$29,582.27) Dollars plus interest, punitive damages, attorney's fees and other costs. Respondent requested dismissal of the claim and attorney's fees.

## AWARD

On January 27, 1987, April 20, 1989 and July 21, 1989, the arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed by Claimants on July 9, 1987, and by Respondents, Ekistic on November 3, 1987; by Orwig on October 18, 1987 and and by Integrated on November 19, 1987. The arbitration panel, having considered the pleadings, the testimony, and the evidence presented at the hearing, has determined in full and final resolution of the issues submitted for determination as follows:

1. 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 originals remain on file with the NASD, Inc.
2. Respondents, Integrated and Orwig, are hereby liable, jointly and severally and shall pay to Claimants the amount of Eight Thousand Four Hundred Ninty-Two and 00/100 (\$8,492.00) Dollars.
3. Respondents, Integrated and Orwig, are hereby liable, jointly and severally and shall pay to Claimants the further amount of Three Thousand Eight Hundred Twenty-One and 40/100 (\$3821.40) Dollars as interest on the above Eight Thousand Four Hundred Ninty-Two and 00/100 (\$8,492.00) Dollars at the legal rate of 12% per annum.
4. Respondents, Integrated and Orwig, are hereby liable, jointly and severally and shall pay to Claimants the further amount of One Thousand Three Hundred Twenty-Nine and 00/100 (\$1,329.00) Dollars for Claimants costs.
5. Pursuant to Section 43 of the Code of Arbitration Procedure, the arbitrators have assessed forum fees in the amount of Three Thousand Two Hundred and 00/100 (\$3,200.00) Dollars (\$400 x 8 sessions). The Claimants are hereby assessed forum fees in the amount of One Thousand Six Hundred and 00/100 (\$1,600.00) Dollars. The Respondents, Integrated and Orwig are hereby assessed forum fees in the amount of One Thousand Six Hundred and 00/100 (\$1,600.00) Dollars for which they shall be jointly and severally liable. The NASD, Inc. shall retain the Three Hundred Fifty and 00/100 (\$350.00) Dollar filing fee previously deposited by the Claimants with the NASD, Inc. in partial satisfaction of Claimants share of such forum fees.
6. Respondents Claim for attorney's fees hereby is dismissed in all respects.
7. Claimants request for attorney's fees hereby is dismissed in all respects.

8. Respondent, Ekistic, is hereby not liable to Claimants and, therefore, all claims against it shall be and hereby dismissed.
9. The parties shall each bear all other costs and expenses incurred by them in connection with this proceeding.

OTHER ISSUES

None.

ARBITRATORS CONCURRING

James R. Kennedy Jr., Esq.  
Richard J. Jones III, Esq.  
Jeffrey Wuliger

DATED: August 17, 1989