

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between

James G. Demos and  
Electra Demos

Claimant(s)

vs.

First Affiliated Securities, Inc.      Respondent

AWARD

CASE NO. 88-00024

SUMMARY OF ISSUES

This claim was filed on Jan. 4, 1988.

Claimants James G. and Electra Demos signed a written authorization whereby Claimants' financial advisor could make trades in Claimants' account with Respondent. The authorized agent made numerous trades in options which Claimants allege were neither authorized nor suitable for their investment objectives.

Respondents claim they were acting on the express written authorization of the Claimants and that they had no duty to investigate the advisor's background and/or review the Claimants' account for suitability or for excessive activity.

DAMAGES AND RELIEF REQUESTED

Claimants seek damages in the amount of \$64,693.00 or, in the alternative, \$60,736.59 according to proof; interest; costs; attorneys' fees and punitive damages.

Respondents seek dismissal of the claim and costs.

DAMAGES AND RELIEF AWARDED

On July 27, 1989 in San Diego, California, the undersigned arbitrators heard in two sessions the controversy between the parties as set forth in submissions to arbitration signed by Claimants James G. Demos and Electra Demos on Dec. 23, 1987 and by Respondent First Affiliated Securities on March 17, 1988. 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. First Affiliated Securities, Inc. is liable and shall pay to Claimants James G. Demos and Electra Demos the sum of Sixteen Thousand Dollars and No Cents (\$16,000.00).

2. The parties shall each bear their respective costs including

attorneys' fees.

3. Pursuant to Section 43 of the National Association of Securities Dealers, Inc. (NASD) Code of Arbitration Procedure, the NASD shall retain the \$400.00 filing fee previously deposited by the Claimants.

OTHER ISSUES

None applicable.

ARBITRATORS CONCURRING

DATE SERVED: 09/11/89

\_\_\_\_\_  
Richard Bryson, Esq.

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Joaquin Grill

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*Kerrigan Weber*  
Kerrigan Weber

attorneys' fees.

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OTHER ISSUES

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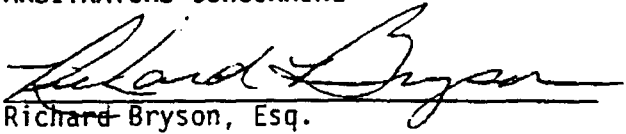
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OTHER ISSUES

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