

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

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In the Matter of the Arbitration Between

Name of Claimant(s)

Eino R. Olivares  
Linda Olivares  
Heijo Olivares

89-01244

Name of Respondent(s)

Chris S. Christy  
Joseph V. Ace

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Case Summary

Eino, Linda, and Heijo Olivares ("Claimants") alleged that:

1. Chris Christy ("Christy"), a registered representative of Joseph P. Ace ("Ace") (Ace and Christy are collectively referred to herein as "Respondents") engaged in the following:
  - a. failed to make an accounting and report as required in his capacity as general partner of Alpha Investment Group, Inc.;
  - b. misrepresented and omitted material facts regarding certain securities;
  - c. purchased stock without the Claimants' authorization;
  - d. improperly commingled and misappropriated funds;
  - e. failed to repay a loan to Heijo Oliveras;
  - f. guaranteed certain loans which defaulted; and
  - g. is responsible for the payment of certain accounting fees.

Christy admitted liability as to certain items however, denied liability on Claimants' losses relating to CFGI. Ace denied any and all liability.

### Relief Requested

The Claimants requested damages in the amount of \$246,887.97. Christy requested that certain claims be dismissed. Ace requested that all the claims against him be dismissed.

### Award

On October 28, 1989 the National Association of Securities Dealers ("NASD") received the Claimants claim. On October 8, 1990 in Houston, Texas in a hearing lasting four sessions the undersigned arbitrators heard the controversy between the parties as set forth in the submissions to arbitration signed by the Claimants on April 24, 1989, on July 17, 1989 by Chris Christy. Ace affirmed on the record at the hearing that he was submitting this controversy to the panel of arbitrators for resolution.

The arbitration panel, having considered the pleadings, the testimony, the evidence presented at the hearing, and the posthearing submissions, has decided in full and final resolution of the issues submitted for determination as follows:

1. Christy shall be liable for and shall pay to the <sup>CLAIMANT</sup> Respondents One Hundred Thirty Thousand Six Hundred Thirty Four Dollars and sixty two cents (\$130,634.62).
2. All of the Claimants' claims against Ace are hereby dismissed.
3. Pursuant to Section 43(c) of the NASD Code of Arbitration Procedure the NASD shall retain the filing fee deposit of \$750.00 and the Claimants shall pay to the NASD an additional \$750.00. Christy shall pay to the NASD \$1,500.00 as forum fees.

Arbitrator(s) Signature

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John T. Dickinson

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Victor Montalbano

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*Raymond L. Britton, Jr.*  
Raymond L. Britton, Jr., Esq.

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12-17-90

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John T. Dickinson

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12-14-90

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