

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between)	
Joseph Jachetta)	
Lucy Jachetta)	Claimants
vs.)	
Judy & Robinson Securities Inc.)	AWARD
Paul Hanson)	
)	CASE NO. 89-01477
)	

SUMMARY OF ISSUES

Claimants alleged Respondents invested their funds in limited partnerships and real estate investment trusts which were not suitable for their financial status, investment objectives and station in life. Claimants further alleged the risks of these investments were not disclosed to them, nor were the commissions paid disclosed to them.

Respondents denied all allegations, asserting that claimants were fully informed of all particulars regarding the investments as well as the commissions charged, and that Claimants relied on their own understanding to make their investment decisions.

DAMAGES AND RELIEF REQUESTED

Claimants requested damages of \$35,233.00.

Respondents requested dismissed of all claims and an award of costs of arbitration.

DAMAGES AND RELIEF AWARDED

This claim was filed with the NASD on May 22, 1989. On May 22 and 23, 1990, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed by Claimants on May 12, 1989. Respondents did not sign or submit submission agreements. Respondents refused to do so because they do not agree to arbitrate this claim and do not waive any rights they may have with respect to their objections to the jurisdiction of the panel. Respondents filed a joint answer and appeared at the hearing because of their

agreement to do so under the terms of their U-4 applications for registration. The hearing was conducted in San Francisco, California, and lasted four (4) sessions. The arbitration panel, having considered the pleadings, the testimony, the evidence presented at the hearing, and the post-hearing submissions, has determined in full and final resolution of the issues submitted as follows:

1. Respondents are jointly and severally liable for and shall pay to Claimants the sum of \$25,000.00 only.

2. The parties shall each bear their respective costs including attorneys fees.

3. In accordance with Section 43 of the NASD Code of Arbitration Procedure, the NASD shall retain the \$400.00 filing fee previously deposited by the Claimants as an assessment of forum fees. An additional \$400.00 for forum fees is assessed against Claimants, and \$800.00 is assessed jointly and severally against Respondents. These fees are payable to the NASD, Inc.

OTHER ISSUES

Before the commencement of the evidentiary hearing, Respondents presented a Motion to Dismiss based on statute of limitations grounds, as well as on grounds that this claim is ineligible for submission to arbitration (under Section 15 of the Code of Arbitration Procedure). The panel denied the Motion to Dismiss. Post-hearing submissions on these issues were requested and considered by the panel.

DATE SERVED: 08/31/90


James M. Knowles

Concurring Arbitrator's Signatures

James M. Knowles
James M. Knowles

DATE SERVED: 11/21/91

Date of Decision: Nov. 5, 1991