

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant(s)

Margurette Faye and William V. Dew, Jr.

Case #89-01713

Name of Respondent(s)

Edna Owens and
Power Securities Corporation

Heard before the members of the Arbitration Panel:

John P. Cullem, Esq.
H. Steven Holtzman, Esq.
Mr. Eugene B. Harper

CASE SUMMARY

This claim was filed with the National Association of Securities, Inc. (NASD) on June 12, 1989. The hearing was conducted in Tampa, Florida on August 15, 1990, with a total of three (3) sessions.

Claimants, Margurette Faye Dew and William Dew ("Dew"), alleged that Respondents, Edna Owens ("Owens") and Power Securities Corp. ("Power"), were liable for misrepresenting the quality and profitability of certain stocks.

Respondent, Owens, alleged that: Claimants were informed of the risks involved; desired to invest in speculative stocks; and otherwise denied liability.

Respondent, Power, failed to file an answer and did not appear at the hearing to defend.

RELIEF REQUESTED

Claimants requested damages in the total amount of \$62,395.00 plus interest.

Respondent, Owens, requested dismissal of the claim. Respondent, Power, failed to file an Answer.

AWARD

On August 15, 1990, the arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed by Claimants on May 30, 1989, and by Respondent, Owens, on August 30, 1989, and not signed by Respondent, Power, as required by the NASD Code of Arbitration Procedure, Respondent, Power, being an NASD member firm at the time this controversy arose. Having considered the pleadings, the testimony, and the evidence presented at the hearing and Respondent, Power, neither appearing at the hearing nor requesting any adjournment thereof, the arbitration panel has determined in full and final resolution of the issues submitted for determination as follows:

1. The Claimants and Respondent, Owens, 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, these parties have agreed to receive conformed copies of the Award while the original(s) remain on file with the NASD.
2. Respondents, Owens and Power, are found liable, jointly and severally, and, shall pay to Claimant, Margurette Dew, the amount of Eighteen Thousand Seven Hundred Fifty and 00/100 (\$18,750.00) Dollars.
3. Respondent, Power, is found liable and shall pay to Claimant, Margurette Dew, the further amount of Eighteen Thousand Seven Hundred Fifty and 00/100 (\$18,750.00) Dollars.
4. Respondents, Owens and Power, are also found liable, jointly and severally, and shall pay to Claimant, William Dew, the amount of Nine Hundred Thirty Seven and 50/100 (\$937.50) Dollars.
5. Respondent, Power, is found liable and shall pay to Claimant, William Dew, the further amount of Twenty Three Thousand Nine Hundred Thirty Seven and 50/100 (\$23,937.50) Dollars.
6. Pursuant to Section 43 of the Code of Arbitration Procedure, the Panel has assessed forum fees in the amount of One Thousand Five Hundred and 00/100 (\$1,500.00) Dollars (3 sessions x \$500.00). Respondents, Owens and Power, are hereby assessed One Thousand Five Hundred and 00/100 (\$1,500.00) Dollars, jointly and severally, of which Five Hundred and 00/100 (\$500.00) Dollars shall be paid directly to the Claimants as a return of their filing fee and One Thousand and 00/100 (\$1,000.00) Dollars of which shall be made payable to the National Association of Securities Dealers, Inc. The NASD, Inc. shall retain the Five Hundred and 00/100 (\$500.00) Dollar filing fee previously deposited by the Claimants in partial satisfaction of such forum fees.
7. The parties shall each bear all other costs and expenses incurred by them in connection with this proceeding (including attorney's fees).

OTHER ISSUES

1. Jurisdiction exists pursuant to Section 12 of the NASD Code of Arbitration Procedure.
2. For the Reasons set forth in the record of proceedings and contained in Arbitrators Exhibit #2, this Panel finds service upon and adequate notice to Respondent, Power. The NASD has made every attempt to locate and serve Respondent, Power, with Notice of this hearing as demonstrated by the evidence contained in Arbitrator's Exhibit #2.

ARBITRATORS CONCURRING

/s/
John P. Cullen, Esq.

/s/
H. Steven Holtzman, Esq.

/s/
Mr. Eugene B. Harper

Dated: November 14, 1990