

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

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In the Matter of the Arbitration Between

Name of Claimant

Dyrel W. Collins

89-03087

Name of Respondents

AMI Securities Inc.  
Barton Davis  
Willard E. May

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CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. ("NASD") on or about November 1, 1989, Dyrel W. Collins ("Claimant") alleged that AMI Securities Inc., Barton Davis, Willard E. May, The Trust Company of America, and American Casualty and Surety Company (hereinafter collectively "Respondents") misrepresented and omitted material facts in connection with the sale of a certain security to the Claimant. Claimant alleged that the misrepresentations and omissions induced him to purchase such security to his detriment and are a violation of the Securities Acts of 1933 and 1934.

In an answer filed the NASD, the Respondents denied each and every allegation of wrongdoing contained in the Statement of Claim and asserted that they are not liable to the Claimant under the sections of law set forth in the Statement of Claim. Respondents also state: 1) Claimant is not the proper party to bring a claim and has no legal authority to do so; 2) Claimant's assertions are not founded; 3) Claimant was well informed of the facts surrounding his investment; 4) Claimant ratified his purchase; 5) Claimant's demands for damages is overstated; 6) Respondent May is not liable to Claimant because he had no knowledge of or reasonable grounds to believe the existence of any of the acts complained of; 7) Claimant has not met certain requirements under the law to assert liability under the sections of the act alleged to have been violated by the Respondents.

RELIEF REQUESTED

Claimant requested damages in the amount of \$62,000.00 plus interest and cost of recovery.

Respondents AMI Securities, Inc., Barton Davis and Willard E. May requested that the Statement of Claim be dismissed and costs assessed.

#### PROCEDURAL MATTERS

On April 11, 1991 in Dallas, Texas during a hearing lasting a total of three (3) sessions, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed on November 3, 1989 by Claimant Dyrel W. Collins and on or about January 17, 1990 by Respondents AMI Securities, Inc. and Willard E. May.

The Trust Company of America declined to submit to arbitration and did not participate in the arbitration proceeding.

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 original(s) remain on file with the NASD.

#### AWARD

On Friday May 3, 1991, the NASD was advised that Jack Harkey had passed away at 3:00 p.m. Mr. Harkey did not participate in the deliberations in this matter.

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

1. Respondents AMI Securities, Inc. and Barton Davis shall be and hereby are jointly and severally liable for and Respondent Willard F. May shall be and hereby is severally liable for and shall pay to the Claimant the sum of \$18,000.00;
2. Claimant is not hereby required to transfer ownership of the bonds to any Respondent;
3. Each party bears its own costs and expenses incurred in this matter including attorneys fees; and
4. Pursuant to Section 43(c) of the Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. shall refund the hearing session deposit in the amount of \$350.00 previously deposited with the NASD by the Claimant. Respondents AMI Securities, Inc. and Barton Davis shall be and hereby are jointly and severally liable for and Respondent Willard F. May shall be and

hereby is severally liable for and shall pay to the NASD the sum of \$2,000.00, which sum includes a postponement fee of \$500.00, as forum fees.

Dated:

5-22-71



Robert Solomon  
Presiding Chair  
Public Arbitrator

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O. Dalton Bennett  
Industry Arbitrator

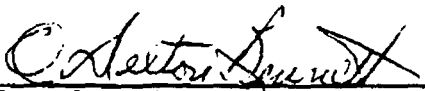
hereby is severally liable for and shall pay to the NASD the sum of \$2,000.00, which sum includes a postponement fee of \$500.00, as forum fees.

Dated:

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Robert Soloman  
Presiding Chair  
Public Arbitrator

5-16-91

  
O. Delton Bennett  
Industry Arbitrator