

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between	)	
Regina Balabanow	)	
	)	
Claimant	)	AWARD
vs.	)	
	)	NASD #90-01144
G.W. Storey & Associates	)	
and William Bossenmaier	)	
Respondents	)	

SUMMARY OF ISSUES

This case was filed with the National Association of Securities Dealers, Inc. ("NASD") on April 23, 1990. Claimant alleged that Respondents breached their fiduciary duties in recommending investments in five separate limited partnerships which were unsuitable to Claimant's investment goals and objectives, and that such recommendation involved high-risk lack of diversification, illiquidity, and low income.

Respondents denied the allegations and maintained that the investments were suitable to Claimant's investment objectives of income, growth, inflation protection, and tax shelter at the time the investments were made. Respondents further maintained that the investments were made in January and February 1983 and asserted that the claim alleged is untimely based upon the applicable statutes of limitations and Section 15 of the Code of Arbitration Procedure.

DAMAGES AND RELIEF REQUESTED

Claimant requested damages as amended at the hearing, of \$100,349.30 representing the capital loss and which includes 8% interest compounded annually; punitive damages; costs and reasonable attorneys' fees.

Respondents requested dismissal of the claim and costs.

DAMAGES AND RELIEF AWARDED

On December 12, 1990, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed by Claimant on April 7, 1990 and by Respondents on June 6, 1990. The hearing was conducted in Los Angeles, California and lasted two (2) sessions. 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. Respondents' motion for a change of venue and for a postponement was denied in pre-hearing rulings and was denied when resubmitted at the arbitration hearing.
2. Respondents' motion to dismiss based upon the applicable statutes of limitation and Section 15 of the Code of Arbitration Procedure was denied at the hearing. The panel considered the Section 15 motion and found that due to the continuing relationship between the parties, Section 15 did not constitute a bar.
3. Claimants is hereby awarded the sum of Eighteen Thousand, Two Hundred Dollars and Zero Cents (\$18,200.00) assessed jointly and severally against the Respondents.
4. All other claims are denied.
5. The parties shall each bear their respective costs including attorneys' fees.
5. In accordance with Section 43 of the NASD Code of Arbitration Procedure, the NASD shall refund the \$500.00 adjournment fee deposited by the Respondents.

**OTHER ISSUES**

The parties stipulated to the execution and service of the award in counterpart copies.

DATE SERVED: 1/24/91

  
James N. Lamb