

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimants

Marjory Vaught Klein, an individual,
and C/F Mondale Noel Vaught,
Marjorie Elizabeth Vaught,
Jarred Shawn Vaught, Timothy Justin Vaught

91-01445

Name of Respondents

Larry L. Simmons
Park Avenue Securities Inc.
Frank G. McGuire, III

REPRESENTATION

For Claimants: William B. Federman of Day, Hewett & Federman, Oklahoma City, Oklahoma.

For Respondent Larry L. Simmons: pro se.

For Respondent Park Avenue Securities, Inc. and Frank G. McGuire, III: Teresa Cauthorn and Thomas L. King of King, Roberts & Bealer, Oklahoma City, Oklahoma.

CASE INFORMATION

Statement of Claim filed: May 9, 1991.

Claimant's Submission Agreement signed on: May 31, 1991.

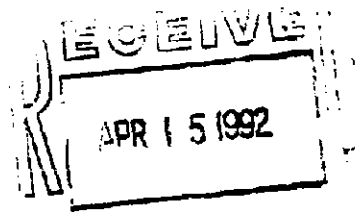
Joint Statement of Answer filed by Respondents Park Avenue Securities, Inc. and Frank G. McGuire, III on: July 9 1991. Statement of Answer filed by Respondent Larry L. Simmons on: June 21, 1991.

Respondent, Larry L. Simmons's Submission Agreement signed on: October 14, 1991.

Respondent Frank G. McGuire, III and Park Avenue Securities, Inc.'s Submission Agreement signed on: July 1, 1991.

HEARING INFORMATION

Hearing Dates/Sessions: January 23, 1992 for three (3) sessions.
January 24, 1992 for two (2) sessions.



Hearing Location: Oklahoma City, Oklahoma.

CASE SUMMARY

Claimants, Marjory Vaught Klein, as an individual and as custodian for Mondale Noel Vaught, Marjorie Elizabeth Vaught, Jarred Shawn Vaught and Timothy Justin Vaught (collectively "Claimants") alleged that they purchased certain limited partnership interests and other securities upon the advice and counsel of the Respondents Larry L. Simmons, Park Avenue Securities, Inc., and Frank G. McGuire, III (collectively "Respondents"). Claimants alleged that the investments were unsuitable for their stated investment objective. Claimants alleged omission and misrepresentation of material facts, failure to exercise ordinary care in the supervision of an employee or agent, breach of fiduciary duty, and gross negligence.

Respondents Park Avenue Securities, Inc. ("Park Avenue") and Frank G. McGuire, III ("McGuire") generally denied the claim and alleged that Respondent Larry Simmons ("Simmons") handled the transaction independently and without control from Park Avenue and McGuire. McGuire alleged that he had no opportunity to review or supervise the transaction.

Respondent Simmons generally denied the claim and alleged that he felt the investments recommended were prudent and consistent with the Claimant's investment objectives. Simmons further alleged that he provided full disclosure to the Claimants including the risks associated with the investments.

RELIEF REQUESTED

Claimants requested rescission, 10% interest on the investment monies, reasonable attorney's fees, \$250,000.00 against each Respondent, exemplary damages, costs of the arbitration, and any further relief deemed just and proper.

Respondents Park Avenue Securities, Inc. and Frank McGuire, III did not specifically request a relief but alleged that if the Claimant has been damaged in any manner, that such damage was the result of the conduct of the claimant or some third party over whom the Respondents had no control.

Respondent Larry Simmons requested that all relief as requested by Claimants be denied.

OTHER ISSUES CONSIDERED & DECIDED

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 originals remain on file with the NASD.

After the hearing but prior to rendering an Award, the Claimants subsequently settled all claims against Respondents Park Avenue Securities, Inc. and Frank G. McGuire. Accordingly, the panel made no finding of liability against said Respondents other than for joint and several liability for the forum fees.

AWARD

After considering the pleadings, the testimony and the evidence presented at the hearing, the undersigned arbitrators have decided in full and final resolution of the issues submitted for determination as follows:

1. Respondent Larry L. Simmons shall be and hereby is liable for and shall pay to the Claimants actual damages in the following amounts:

Marjory Vaught Klein	\$4000.00
Mondale Noel Vaught	\$10,000.00
Marjorie Elizabeth Vaught	\$10,000.00
Jarred Shawn Vaught	\$10,000.00
Timothy Justin Vaught	\$10,000.00

2. Respondent Larry L. Simmons shall be and hereby is liable for and shall pay to the Claimants, attorney's fees, in the amount of \$8,000.00. Attorney's fees were awarded pursuant to 71 O.S. Section 408;

3. Each of the parties shall bear their own costs and expenses incurred other than those specifically enumerated herein.

FORUM FEES

Pursuant to Section 43c of the Code of Arbitration Procedure, the following Forum Fees are assessed.

5 sessions X \$750 = \$3750 minus hearing session deposit of 750 = net \$3000 due.

Forum fees Assessed Against: Respondents Larry L. Simmons, Park Avenue Securities, Inc., and Frank G. McGuire, jointly and severally, for the amount stated above.

Fees are payable to the National Association of Securities Dealers, Inc.

By the Arbitration Panel:

Dated: _____

Thomas A. Bamberger, Esq.
Public Arbitrator, Chairman

Robert N. Naifeh, Esq.
Public Arbitrator


Clinton K. Mason
Industry Arbitrator

3/26/92

AWARD

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By the Arbitration Panel:

Dated: _____

Thomas A. Bamberger, Esq.
Public Arbitrator, Chairman


Robert N. Naifeh, Esq.
Public Arbitrator

Clinton K. Mason
Industry Arbitrator

3-30-92

AWARD

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By the Arbitration Panel:


Thomas A. Bamberger, Esq.
Public Arbitrator, Chairman

Dated:

4/7/92

Robert N. Naifeh, Esq.
Public Arbitrator

Clinton K. Mason
Industry Arbitrator