

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Ernie B. Nordman, Trustee for
the Benefit of Ernie B. Nordman
dated November 6, 1984

vs.

NASD #91-02442

Name of Respondents

Mason Hunt & Company
Wedbush Morgan Securities
George Jones

REPRESENTATION

For Claimant: James C. Krause, Esq., San Diego, California

For Respondents: Mason Hunt: No appearance at hearing

For Wedbush Morgan: Marie Eaton, Wedbush Morgan Securities,
Los Angeles, California

For George Jones: Respondent represented himself

CASE INFORMATION

Statement of Claim filed: August 7, 1991

Claimant's Submission Agreement signed: July 26, 1991

Statement of Answer filed by Respondents on:

Mason Hunt: None submitted

Wedbush Morgan: December 26, 1991

George Jones: September 19, 1991

Respondents' Submission Agreements signed on:

Mason Hunt: None submitted

Wedbush Morgan: December 17, 1991

George Jones: September 19, 1991

HEARING INFORMATION

Hearing Date/ Sessions: June 25, 1992 (one session)
June 30, 1992 (two sessions)

Hearing Location: San Diego, California

CASE SUMMARY

Claimant alleged lack of suitability, negligence, and breach of contract with respect to investments in bond funds.

Respondents denied all allegations of wrongdoing, and asserted that Claimant had failed to state a cause of action, and further, that this claim was not brought within the applicable statutes of limitations.

Respondent Wedbush Morgan asserted a counterclaim alleging malicious prosecution.

RELIEF REQUESTED

Claimant requested damages of \$21,000.00 plus interest.

Respondents requested dismissal of all claims. Respondent Wedbush Morgan requested an award of costs of arbitration and punitive damages in its counterclaim.

OTHER ISSUES CONSIDERED & DECIDED

At the first hearing session, Claimant withdrew all claims asserted against Mason Hunt & Co.

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.

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. Respondents Wedbush Morgan Securities and George Jones are jointly and severally liable for and shall pay to Claimant the sum of \$9,970.16 exactly.
2. The counterclaim for costs of arbitration and punitive damages brought by Wedbush Morgan Securities is dismissed in its entirety.

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

OTHER

At hearing, Respondent Wedbush Morgan Securities moved for dismissal based on Section 15 of the Code of Arbitration Procedure. The motion was denied.

Respondent Wedbush Morgan Securities also moved for dismissal because it was not a proper party to the action. The motion was denied.

OTHER COSTS

None.

FORUM FEES

Pursuant to Section 43c of the Code of Arbitration Procedure, the following forum fees are assessed:

To Claimant:

One (1) session @ \$300.00	\$ 300.00
Credit for deposit	<u>300.00</u>
Balance due	\$ 0.00

To Respondents Wedbush Morgan Securities and George Jones, jointly and severally:

Two (2) sessions @ \$300.00/session	\$ 600.00
Balance due	<u>\$ 600.00</u>

ARBITRATION PANEL

Name

Public/Industry

William R. Newsome

Public Arbitrator


William R. Newsome

DATE SERVED: 07/22/92

Date of Decision: 30 June 1992