

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Winona Chambers

91-02455

Name of Respondent

Douglas P. Davis

REPRESENTATION OF PARTIES

Claimant was represented by Miles M. Gersh, Esq. of Gersh & Danielson, Denver, Colorado.

Respondent was represented by Russell K. Bean, Esq. of Krys, Boyle, Golz, Reich & Freedman, Denver, Colorado.

CASE INFORMATION

The Statement of Claim was filed on or about August 8, 1991.

Claimant Winona H. Chambers' Submission Agreement signed on July 31, 1991.

Statement of Answer filed by Respondent Douglas P. Davis on or about November 18, 1991.

Respondent Douglas P. Davis' Submission Agreement signed on September 25, 1991.

HEARING INFORMATION

The hearing was held on Wednesday, April 15, 1992 in Denver, Colorado for a total of two (2) sessions, Friday, April 24, 1992 for a total of three (3) sessions and Wednesday, May 13, 1992 for a total of two (2) sessions.

CASE SUMMARY

Claimant alleged that Respondent Douglas P. Davis fraudulently or recklessly induced her to make investments grossly unsuited to her financial needs and objectives. Claimant specifically alleged that the investments in Beekman Place Associates, Ltd., a limited partnership; Resources Accrued Mortgage Investments, Series 1986; Public Storage Properties XIV, a limited

partnership; Centennial Mortgage Income Fund; and National Federal Securities Trust were unsuitable for her.

Respondent asserted the affirmative defense that the claims asserted herein were barred by the applicable statutes of limitation. Respondent in the alternative denied the allegations set forth in the claim and amended claim filed herein. Respondent further stated that the recommendation made were based upon what the Claimant said was her financial situation, experience and objectives.

RELIEF REQUESTED

Claimant requested an award in the amount of not less than \$121,142.74, attorney's fees pursuant to the Colorado Securities Act (1987 C.R.S. Sec. 11-51-125(1) and (2)), and expert witness fees.

Respondent requested that the claims be dismissed and that he be awarded his attorney's fees and costs.

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 original(s) 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. Respondent Douglas P. Davis shall be and hereby is liable for and shall pay to the Claimant Winona Chambers the sum of \$98,250.00 (Ninety Eight Thousand Two Hundred Fifty Dollars).
2. Respondent Douglas P. Davis shall be and hereby is liable for and shall pay to the Claimant Winona Chambers the actual billed expert witness fees incurred by the Claimant which is sum is not to exceed \$2,500.00 (Two Thousand Five Hundred Dollars).
3. Each party shall bear its own costs, expenses and attorney's fees incurred in this matter not specifically enumerated herein.

FORUM FEES

Pursuant to Section 43(c) of the NASD Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. ("NASD") shall retain the

non-refundable filing fee in the amount of \$150.00 and shall refund the hearing session deposit in the amount of \$800.00 previously deposited with the NASD by the Claimant. Respondent Douglas P. Davis shall pay to the NASD the sum of \$5,250.00 as forum fees.

Forum fees are calculated at the rate of \$750.00 per hearing session and \$300.00 for each prehearing conference, if any.

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

Dated:

Thaddeus J. Taczka, PhD.
Presiding Chair
Public Arbitrator

James J. Cronin, Esq.
Public Arbitrator

May 19, 1992

Donald W. Dienes
Donald W. Dienes
Industry Arbitrator

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Forum fees are calculated at the rate of \$750.00 per hearing session and \$300.00 for each prehearing conference, if any.

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

Dated:

May 20, 1992

Thaddeus J. Tecza, PhD.
Presiding Chair
Public Arbitrator

James J. Cronin, Esq.
Public Arbitrator

Donald W. Diones
Industry Arbitrator

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Forum fees are calculated at the rate of \$750.00 per hearing session and \$300.00 for each prehearing conference, if any.

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

Dated:

May 18, 1992

Thaddeus J. Taczak, Ph.D.
Thaddeus J. Taczak, Ph.D.
Presiding Chair
Public Arbitrator

James J. Cronin, Esq.
James J. Cronin, Esq.
Public Arbitrator

Donald W. Dienes
Donald W. Dienes
Industry Arbitrator

NASD served: May 29, 1992