

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Jack Textsbury

vs.

NASD Arbitration
No. 91-03817

Name of Respondents

Securities Settlement Corporation
Gilford Securities Incorporated
Marvin Ingram

REPRESENTATION

For Claimant: In Pro Se

For Respondent: Securities Settlement Corporation - No Appearance

For Respondent: Gilford Securities Incorporated - Mark Jones, Esq. Salvin, Weiner
& Ruben - Los Angeles, California

For Respondent: Marvin Ingram - Charles T. Rose, Esq. - La Quinta, California

CASE INFORMATION

Statement of Claim filed: December 3, 1991

Claimant's Submission Agreement signed on: December 23, 1991

Statement of Answer and Motion to Dismiss filed by Respondent, Marvin Ingram on
February 21, 1992

Respondent, Marvin Ingram's Submission Agreement signed on: February 6, 1992

Respondent, Gilford Securities Inc.'s Submission Agreement signed on: April 7,
1992

No Answer or Submission Agreement received from Securities Settlement Corporation

HEARING INFORMATION

Pre-Hearing Conference: None

Hearing Dates/sessions: August 25, 1992 - Two Sessions
August 26, 1992 - One Session

Hearing Location: Los Angeles, California

CASE SUMMARY

Claimant, Jack Tewksbury (Tewksbury) alleged that Respondent, Marvin Ingram (Ingram) while employed by Shearson Lehman Brothers, Inc., Respondent, Gilford Securities, Inc (Gilford) induced Tewksbury into buying a \$100,000.00 interest in an oil and gas field which subsequently went bankrupt. Said investment was made in May of 1981. Tewksbury alleged that Ingram promised the return of said investment plus interest.

Respondent, Ingram, alleged that the claim relating to the oil and gas field investment was time barred in that the claim was filed more than six years after the event giving rise to Tewksbury's cause of action.

Tewksbury also alleged that the acts constituted a continuing fraud and therefore were a timely and proper subject for arbitration.

It was also alleged that respondents Ingram and Gilford induced Tewksbury into purchasing investments in warrant and shares of a corporation which subsequently went bankrupt. Tewksbury claimed that said investment was unsuitable in light of the sum invested and the risks associated with the purchases.

Respondents denied that Tewksbury was damaged as a result of any improper acts and stated that Claimant sustained losses as a result of economic difficulties and market forces over which Respondents had no control and could not reasonably anticipate and that Tewksbury, being an informed and sophisticated investor of many years experience, assumed the risk in hopes of a reward from his investment.

RELIEF REQUESTED

Claimant requested restitution of his \$8,437.68 and \$114,000.00 losses in his investments, treble damages, costs and fees.

Respondents requested dismissal of the claim in its entirety, costs and attorneys' fees.

OTHER ISSUES CONSIDERED & DECIDED

Respondent, Securities Settlement Corporation, was not served per Section 25 (a) of the NASD Code of Arbitration Procedure and was therefore dismissed from the claim, without prejudice.

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. Pursuant to Section 15, of the NASD Code of Arbitration Procedure, the claim of Claimant, Jack Teetsbury, relating to the claim for \$114,00.00 invested in an oil and gas venture, is ineligible for submission to arbitration in that six years have elapsed from the occurrence or event giving rise to the act or dispute, claim or controversy.

2. Respondents, Gilford Securities and Martin Ingram, are jointly and severally liable and shall pay to Claimant, Jack Teetsbury, the sum of Eight Thousand Four Hundred Thirty Seven Dollars and Sixty Eight Cents (\$8,437.68) together with interest thereon in the amount of Two Thousand Five Hundred Thirty Seven Dollars and Sixty Three Cents (\$2,537.63).

3. Claimant's claims for treble damages is denied.

4. The parties shall each bear their respective costs and fees.

FORUM FEES

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

1. Respondents, Gilford Securities and Martin Ingram are jointly assessed and shall pay to the NASD the sum of \$2,250.00 representing assessments for three hearing sessions at \$750.00 per session.

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

ARBITRATORS


Name -

Frank Smith
Harold A. Haytin
Richard Ramos

Public/Industry

Public Arbitrator
Public Arbitrator
Industry Arbitrator

Concurring Arbitrators' Signatures


Frank Smith

Harold A. Haytin

Richard Ramos

Served Oct. 9, 1992

Date of Decision: _____