

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimants

Juan E. and Genoveva Favela

vs.

NASD #91-04064

Name of Respondents

Christopher Weil & Company, Inc.
Gerald W. Harner

REPRESENTATION

For Claimant: Claimants represented themselves

For Respondents:

Christopher Weil & Company: No appearance

Gerald W. Harner: Respondent represented himself, with special
appearance by David O. Cantu, Esq., Gordon, Thomas, Honeywell,
Malanca, Peterson & Dahelm, Seattle, Washington

CASE INFORMATION

Statement of Claim filed: December 24, 1991

Claimants' Submission Agreement signed: December 16, 1991

Statement of Answer filed by Gerald Harner: February 11, 1992

Harner's Submission Agreement signed: February 7, 1992

HEARING INFORMATION

Hearing Date/Sessions: August 4, 1992 - (two sessions)

Hearing Location: Seattle, Washington

CASE SUMMARY

Claimant alleged that in light of their ages, experience and financial circumstances, Respondent Harner recommended and sold them six limited partnership interests which were not suitable investments.

Respondent Harner denied the allegations and asserted that he made full disclosure of the nature, liquidity and risks of the investments; further that he provided Claimants with copies of a prospectus for each investment; and that the investments were suitable based on the experience and financial circumstances of the Claimants.

RELIEF REQUESTED

Claimants requested actual damages of \$25,000, plus \$5,000 estimated loss of income, and \$644 for costs or arbitration.

Respondent Harner requested dismissal of all claims.

OTHER ISSUES CONSIDERED & DECIDED

The panel was advised at hearing that Respondent Christopher Weil & Company, Inc. has been out of business since 1989, is no longer a member of the National Association of Securities Dealers, and also that the firm's principal passed away several years ago. The panel therefore determined it had no jurisdiction over this Respondent, and dismissed all claims asserted against Christopher Weil & Company, Inc.

At hearing, special counsel David Cantu moved for dismissal of Respondent Harner based on statute of limitations grounds. The motion was denied.

The parties have agreed that the Award in this matter may be executed in counterpart 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. Respondent Harner is liable for and shall pay to Claimants the sum of \$25,664, without interest.

OTHER COSTS

None.

FORUM FEES

Pursuant to Section 43(c) of the Code of Arbitration Procedure, the NASD shall retain the \$400 hearing session deposit previously made. In addition, Respondent Harner is assessed forum fees for 1 session @ \$400/session. This fee is payable to the National Association of Securities Dealers.

ARBITRATION PANEL

Name

Public/Industry

Concurring Arbitrators' Signatures

Carl A. Jonson

Public Arbitrator

James A. Vawter

Public Arbitrator

William J. Rex

Industry Arbitrator

DATE SERVED: 09/08/92

Carl A. Jonson

James A. Vawter

William J. Rex
William J. Rex

Date of Decision: _____

OTHER COSTS

Nons.

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Industry Arbitrator

Carl A. Jonson

DATE SERVED: 09/08/92



James A. Vawter

William J. Rex

Date of Decision: 8/26/92

OTHER COSTS

None.

FORUM FEES

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Public Arbitrator

Public Arbitrator

Industry Arbitrator


Carl A. Jonson

DATE SERVED: 09/08/92

Date of Decision: August 24, 1992