

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant(s)

Ray Miller
Phyllis Miller

vs.

92-00468

Name of Respondent(s)

Sentra Securities Corporation
Ellen M. Conoly

REPRESENTATION

For Claimants: William L. Garfield, Esq., Los Gatos, California

For Respondents: Bruce J. Rushall, Esq., Rushall, McGeever And Sappington,
Carlsbad, California

CASE INFORMATION

Statement of Claim filed: February 7, 1992

Claimants' Submission Agreements signed on: March 2, 1992

Joint Statement of Answer filed by Respondents: April 24, 1992

Respondents' Submission Agreements signed as follows:

Sentra Securities Corporation: April 30, 1992
Ellen M. Conoly: April 29, 1992

HEARING INFORMATION

Prehearing Conference(s) Date(s) Sessions: None

Hearing Date/Sessions: August 27, 1992 (two sessions)
August 28, 1992 (two sessions)

Hearing Location: San Francisco, California

CASE SUMMARY

Claimants alleged that Respondents advised Claimants to invest their funds in investments that were not safe, secure and conservative. Claimants also alleged that Respondents failed to adequately investigate the security of the investments and the creditworthiness of the principals with respect to investments in real estate limited partnerships.

Respondents denied Claimants' allegations and alleged that Respondents performed a due-diligence review of each of the investments which met regulatory and industry standards for review and due-diligence.

RELIEF REQUESTED

Claimants requested:

1. Rescission;
2. Damages in the amount of approximately \$120,000.00, plus interest, as amended at hearing.

OTHER ISSUES CONSIDERED & DECIDED

The panel of arbitrators heard arguments relative to Respondents' Motion to Dismiss Claimants' claim with respect to the Pacific Peninsula Partners Investment. The panel deferred their ruling until completion of the evidentiary hearing.

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 National Association of Securities Dealers, Inc. (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 Sentra Securities Corporation and Ellen M. Conoly are jointly and severally liable for and shall rescind the purchase of the following funds and limited partnerships, and compensate Claimants for such rescission as set forth below:

- a) Pacific Peninsula Partners;
- b) August Income Fund 9; and
- c) Real Estate Investment Fund Number 23 ("RIC 23")

Compensation including interest shall be in the following amounts:

- a) Pacific Peninsula Partners - \$57,271.52
- b) August Income Fund 9 - \$45,961.84
- c) RIC 23 - \$40,000.00

Total: \$143,233.36 payable to Claimants.

2. The parties shall each bear their respective costs including attorney's fees.

OTHER COSTS

None.

FORUM FEES

Pursuant to Section 43c of the Code of Arbitration Procedure, the following forum fees are assessed: The NASD shall refund the \$750.00 hearing session deposit previously deposited by the Claimants. Forum fees assessed against:

Respondents Sentra Securities Corporation and Ellen M. Conoly, jointly and severally, in the amount of \$3,000.00, calculated as follows: Four hearing sessions times \$750.00/session.

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

ARBITRATION PANEL

Name

Public/Industry

Public Arbitrator
Public Arbitrator
Industry Arbitrator

Arbitrators' Signature


Daniel Yarnshon, Esq.

Date of Decision: 9/24/92