

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Anne Abbott

NASD Arbitration
No.92-01407

Name of Respondent(s)

RAM Financial
E.I. Sales, Inc.
Chris Johnson

REPRESENTATION

For Claimant: Daniel R. Barbakow, Esq., Mannis, Barbakow & Lerner, Los Angeles, California

For Respondents RAM Financial and Chris Johnson: Michelle R. Fron, Esq., Keesal, Young and Logan, Long Beach, California

For Respondent E. I. Sales, Inc.: Thomas M. Zurek, Esq., Nyemaster, Goode, McLaughlin, Voigts, West, Hansell & O'Brien, Des Moines, Iowa

CASE INFORMATION

Statement of Claim filed: April 23, 1992

Claimant's Submission Agreement signed: March 19, 1992

Joint Statement of Answer filed by RAM Financial and Chris Johnson: June 16, 1992

Statement of Answer filed by E. I. Sales, Inc.: June 23, 1992

Respondents' Submission Agreements signed:
RAM Financial: August 13, 1992
Chris Johnson: June 4, 1992
E.I. Sales: June 22, 1992

HEARING INFORMATION

Hearing Dates / Sessions: April 20, 1993 - 2 sessions
April 21, 1993 - 2 sessions

Hearing Location: Los Angeles, California

CASE SUMMARY

Claimant alleged misrepresentations, undisclosed conflicts of interest and lack of suitability in connection with her investments in annuities and limited partnerships.

Respondents denied all allegations of wrong-doing, and further denied liability for any losses sustained by Claimant. Respondents asserted that any claims raised with respect to her VMS Mortgage Investors limited partnership have already been resolved through Claimant's participation as a plaintiff in the settlement of the class action entitled In re VMS Limited Partnership Securities Litigation No. 90C2412. Respondents also asserted that all claims are barred by applicable statutes of limitation.

RELIEF REQUESTED

Claimant requested damages of \$107,785.94.

Respondents requested dismissal of all claims.

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 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. All claims asserted against E. I. Sales, Inc. are dismissed in their entirety.
2. Respondents RAM Financial and Chris Johnson are jointly and severally liable for and shall pay to Claimant the sum of \$8,662.00 in satisfaction of all claims.

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

FORUM FEES

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

Total fees for 4 sessions @ \$750	=	\$3,000.00
Claimant's one-half share	=	\$1,500.00
<u>Credit for deposit</u>	=	<u>\$ (750.00)</u>
Balance due		\$ 750.00

Respondents' one-half share (RAM Financial & Chris Johnson, assessed jointly and severally)	\$1,500.00
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Fees are payable to the National Association of Securities Dealers, Inc.

ARBITRATORS

<u>Name</u>	<u>Public/Industry</u>
Bernard Segelin	Public Chairperson
Charles D. Behm	Public Panelist
Lloyd S. Yu	Industry Panelist

Concurring Arbitrators' Signatures

Charles D. Behm
