

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant(s)

Frank P. Trifeletti
Rosemarie Trifeletti

NASD Arbitration
No. 92-02479

Name of Respondent(s)

Associated Planners Securities Corporation
D. Vernon Willis

REPRESENTATION

For Claimants: John F. Cavin, Esq., Bardellini & Straw, San Ramon, California

For Respondents: Philip McLeod, Esq. and Gordon C. Young, Esq., Keesal,
Young & Logan, San Francisco, California

CASE INFORMATION

Statement of Claim filed: July 27, 1992

Claimants' Brief on the Statute of Limitations and Awards of Punitive Damages
filed: April 23, 1993

Claimants' Submission Agreement signed: July 22, 1992

Joint Statement of Answer filed by Respondents: October 5, 1992

Respondents' Brief on the Statute of Limitations and Punitive Damages filed:
April 30, 1993

Respondents' Submission Agreements signed as follows:

Associated Planners Securities Corporation: August 26, 1992

D. Vernon Willis: October 5, 1992

HEARING INFORMATION

Pre-Hearing Conference: None

Hearing Date(s)/Sessions: May 3, 1993 (two sessions)
May 4, 1993 (two sessions)
May 5, 1993 (two sessions)

Hearing Location: San Francisco, California

CASE SUMMARY

Claimants alleged the following causes of action with respect to VMS Limited Partnership investments: 1) violation of Section 20 of the Securities Exchange Act of 1934; 2) fraud, deceit and omission of material facts; 3) intentional misrepresentation of fact; 4) violation of New York Stock Exchange, Inc. Rules 342, 401 and 405 and National Association of Securities Dealers, Inc. (NASD) Rules of Fair Practice, Article 3 Section 2; 5) breach of fiduciary duty; 6) negligent misrepresentation; and 7) violation of California Corporation's Code Section 25401 and California Civil Code Section 3294.

Respondents generally and specifically denied each and every substantive allegation contained in Claimants' Statement of Claim, and further denied that Claimants were damaged in any sum or sums whatsoever. Respondents further denied that they or any of their employees or representatives mishandled any transaction effectuated for the Associated Planners Securities Corporation accounts of Claimants, and stated that at all times they handled those accounts in a prudent and professional manner. Respondents also asserted affirmative defenses.

RELIEF REQUESTED

Claimants requested:

1. Compensatory damages in the amount of \$250,000.00;
2. An award of interest on their damages from August 30, 1986 to the date of the award and post-award interest until the date of payment by

Respondents, as allowed by law;

3. Costs of arbitration and expenses including consulting fees, expert witness fees and any other costs deemed reasonable and appropriate; and
4. Punitive damages in an amount to be determined by the arbitrators.

Respondents requested:

1. Dismissal of the Statement of Claim in its entirety with prejudice;
2. Costs of suit; and
3. For such other relief as the arbitrators deem proper.

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, the evidence presented at the hearing and post hearing submissions, the undersigned arbitrators have decided in full and final resolution of the issues submitted for determination as follows:

1. Respondents are jointly and severally liable for and shall pay to Claimants the sum of \$31,350.00, inclusive of interest.
2. Respondents are jointly and severally liable for and shall pay to Claimants the sum of \$950.00 as reimbursement of Claimants' filing fee and hearing session deposit.
3. Claimants' claim for punitive damages is denied.
4. Claimants must return their ownership interest in VMS Mortgage Investors LP II and LP III.
5. 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 retain the \$750.00 hearing session deposit previously deposited by the Claimants. Forum fees are assessed against:

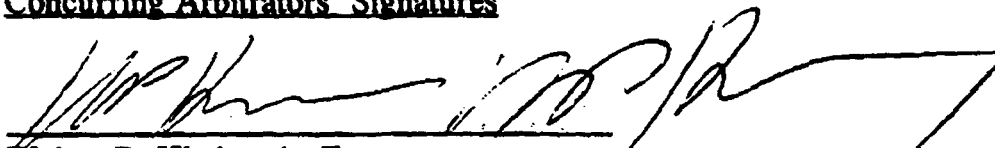
Respondents, jointly and severally, in the amount of \$3,750.00, calculated as follows: Six hearing sessions times \$750.00/session, minus the \$750.00 hearing session deposit retained by the NASD.

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

ARBITRATORS

<u>Name</u>	<u>Public/Industry</u>
Walter P. Hitchcock, Esq.	Public Arbitrator
Theodore F. Schmidt	Public Arbitrator
Neil G. Clem	Industry Arbitrator

Concurring Arbitrators' Signatures


Walter P. Hitchcock, Esq.

Theodore F. Schmidt

Neil G. Clem

Date of Decision: 5/19/93

Date Served: 06/14/93