

NASD AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

Claramae R. Jones

Claimants

Quest Capital Strategies, Inc.

Respondents

Case Number 93-01333

REPRESENTATION

Claimant, Claramae R. Jones ("Jones"): Phillip J. Snyderburn, Esq. of Snyderburn, Rishoi & Swann.

Respondent, Quest Capital Strategies, Inc. ("Quest"): Barry Jacobs, Esq. of the Law Office of Barry J. Jacobs.

CASE INFORMATION

Statement of Claim filed: April 1, 1993. Claimant's Submission Agreement signed: March 11, 1993.

Respondent's Statement of Answer filed: May 25, 1993. Respondent's Submission Agreement signed on May 24, 1993 by David C. Yu on behalf of Quest.

HEARING INFORMATION

On January 13, 1994, in Tampa, Florida, a hearing lasting two (2) sessions was conducted.

CASE SUMMARY

Claimant alleged that Respondent was liable for: violation of Chapter 517 of the Florida Statutes; fraud; misrepresentation; breach of fiduciary duty; breach of contract; and, negligence.

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Claimant alleged that Respondent, through its employee, induced Claimant into purchasing speculative stocks, which were unsuitable in light of Claimant's investment objectives and experience, in order to churn Claimant's account and that Respondent failed to advise Claimant of the risks of investing in such securities.

Respondent denied all allegations of wrongdoing and alleged that: Claimant wanted to take more risks in order to increase her return; Claimant is a sophisticated investor with large financial resources; Claimant was suitable for the investments, approved all trades, and failed to timely complain of the transactions.

RELIEF REQUESTED

Claimant, in her statement of claim, requested unspecified damages which she later specified at the hearing to be \$37,644 plus interest in the amount of \$3,873 attorney's fees, costs and punitive damages.

Respondent requested dismissal of the claim.

OTHER ISSUES CONSIDERED AND DECIDED

None

AWARD

After considering the pleadings, the testimony, and the evidence presented at the hearing, the arbitrators have decided in full and final resolution of the issues submitted for determination as follows:

1. Respondent, Quest is found liable and shall pay to Claimant the amount of \$12,000 inclusive of interest.
2. Claimants' requests for attorney's fees, costs and punitive damages is denied.

OTHER COSTS

The parties shall each bear all other costs and expenses incurred by them in connection with this proceeding.

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FORUM FEES

1. Pursuant to Section 43(c) of the Code of Arbitration Procedure, the panel has assessed forum fees in the amount of \$1,200 (2 sessions x \$600 per session).
2. Respondent Quest is hereby assessed \$1,200 of which \$600 shall be paid directly to the Claimant as a refund of the hearing session deposit previously paid by Claimant and \$600 of which shall be paid to the National Association of Securities Dealers, Inc. The NASD shall retain the \$600 hearing session deposit previously paid by Claimant in partial satisfaction of such forum fee.
3. The NASD shall retain the non-refundable filing fee of \$250 paid by the Claimant
4. Respondent shall reimburse the Claimant \$250 for the non-refundable filing fee paid by Claimant.

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

Concurring Arbitrator(s) Signature(s)

1s/
H. Victor Schwimmer, Esq.

Public

1s/
Hal S. Holtsinger

Public

1s/
Terrence W. Grant

Industry

Date of Decision:

1/25/94