

11/94

9411096

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the matter of the Arbitration Between

Name of Claimant(s)

Evelyn Hansten

NASD Arbitration
No. 93-02042

Name of Respondent(s)

Soares Financial Group, Inc.
Gregory Soares

REPRESENTATION

For Claimant: Irwin Stein, Investors Recovery Service, Novato, California

For Respondent Soares Financial Group, Inc.: No Appearance

CASE INFORMATION

Statement of Claim filed: May 19, 1993

Claimant's Reply to Motion to Dismiss Claims filed: August 13, 1993

Claimant's Supplemental Correspondence in Response to Motion to Dismiss Claims filed: August 24, 1993

Claimant's Submission Agreement signed: March 30, 1993

Motion to Dismiss Claims filed by Respondents: August 11, 1993

Respondents' Submission Agreements signed: August 9, 1993

HEARING INFORMATION

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Pre-Hearing Conference Date(s)/Session(s): None

Hearing Date(s)/Session(s): November 14, 1994 (one session)

Hearing Location: San Francisco, California

CASE SUMMARY

Claimant alleged unsuitability with respect to her investment in Trowbridge Equity Group Fund 14 limited partnership. Claimant further alleged misrepresentations, violation of fiduciary responsibilities, violation of Article III Sections 2 and 27 of the National Association of Securities Dealers, Inc. (NASD) Rules of Fair Practice, failure to supervise and violation of the anti-fraud provisions of the Securities Act of 1933 and the Securities Exchange Act of 1934.

Respondents moved for dismissal of Claimant's Statement of Claim and alleged that Claimant's Claim is time-barred pursuant to Section 15 of the Code of Arbitration Procedure.

RELIEF REQUESTED

Claimant requested that the purchase of Trowbridge Equity Group Fund 14 be entirely rescinded and requested that this rescission include Claimant receiving her \$40,000.00 principal investment back in exchange for her underlying interest in Trowbridge Equity Group Fund 14. Claimant also requested that she be credited fair interest at the legal rate for the time period her money was held in this fund, less all distributions received by Claimant from this investment.

OTHER ISSUES CONSIDERED AND DECIDED

Prior to the hearing, the panel of arbitrators was advised of Respondent Gregory Soares' bankruptcy filing thereby staying all judicial proceedings against Gregory Soares.

Prior to the hearing, the panel of arbitrators received a copy of a letter dated November 4, 1994 by Walter L. Baumgardner, counsel for Soares Financial Group, Inc., advising of Respondent Soares Financial Group, Inc.'s intention to not appear at the hearing in this matter.

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The parties have agreed that the Award in this matter may be executed in either 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. Respondent's Motion to Dismiss Claims pursuant to Section 15 of the NASD Code of Arbitration Procedure is denied.
2. Respondent Soares Financial Group, Inc. is solely liable for and shall pay to Claimant the sum of \$40,000.00 plus statutory 7% interest from date of purchase, December 4, 1986 to date of Award, November 14, 1994, less credit for interest already paid.
3. Respondent Soares Financial Group, Inc. is solely liable for and shall pay to Claimant the sum of \$120.00 as reimbursement for Claimant's filing fee.
4. 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: The NASD shall refund the \$400.00 hearing session deposit previously deposited by Claimant. Forum fees are assessed against: Respondent Soares Financial Group, Inc., solely, in the amount of \$400.00, calculated as follows: One hearing session times \$400.00/session.

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

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ARBITRATORS

Name _____ Public / Industry

Margaret Kallman, Esq.

Public Arbitrator

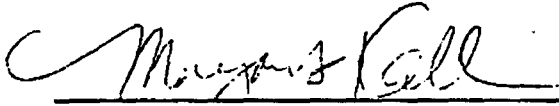
Angie Lame

Public Arbitrator

Thomas W. Borden

Industry Arbitrator

Concurring Arbitrators' Signatures



Margaret Kallman, Esq.

Angie Lame

Thomas W. Borden

Date of Decision: _____

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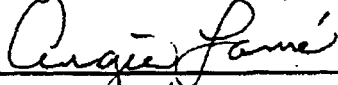
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Date of Decision: 11-14-94

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