

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant(s)

PUBLIC

Otto Ham

93-03297

Name of Respondent(s)

CC & Q Investors Diversified Co.
Darrell Davis
Roxanne Thompson
Robert F. Craig

REPRESENTATION

The Claimant appeared pro se.

The Respondents appeared pro se.

CASE INFORMATION

Statement of Claim filed: August 20, 1993.

Amendment to Statement of Claim dated: February 8, 1994.

Claimant's Submission Agreement signed on: September 16, 1993.

Statement of Answer filed by Respondent CC&Q Investors Diversified Company on: November 12, 1993.

Statement of Answer filed by Respondent Robert F. Craig on: February 15, 1994.

Respondent Robert F. Craig's Submission Agreement signed on: December 7, 1993.

The Respondent CC&Q Investors Diversified Company did not execute a Submission Agreement as required pursuant to Section 25 of the Code of Arbitration Procedure.

The Respondents Darrell Davis and Roxanne Thompson did not execute Submission Agreements or submit a Statement of Answer as required pursuant to Section 25 of the Code of Arbitration Procedure.

HEARING INFORMATION

Hearing Date/Session: April 12, 1994 / One Session

Hearing Location: NASD offices located in Atlanta, Georgia.

CASE SUMMARY

Claimant alleged that the Respondents made misrepresentations to him regarding his investments in a mutual fund and shares of stock through CC&Q Investors Diversified Company. Claimant further alleged the Respondent Darrell Davis assured him that his investment in Camellia Creations, specifically, was risk free. Claimant further alleged the Respondents failed to inform him of the status of his investments. Claimant further alleged Respondent Robert F. Craig was negligent and deliberately mishandled investors' funds.

Respondent Robert F. Craig and CC&Q Investors Diversified Company maintained that they did not authorize Darrell Davis or anyone else that was involved in Claimant's investment in Camellia Creations to act as a representative of CC&Q Investors Diversified Company. Respondent CC&Q Investors Diversified Company further maintained they were not responsible for any private transactions that the Claimant undertook with anyone outside of their organization.

Respondent Robert F. Craig further maintained that as of December 14, 1992 which was around the time of Claimant's investment in Camelia Creations, Darrell Davis was no longer employed with CC&Q Investors Diversified Company and he and two other individuals had formed their own investment banking firm which was completely unrelated to CC&Q Investors Diversified Company. Respondent Robert F. Craig further maintained Mr. Davis did not have authorization to engage in any activities on behalf of CC&Q Investors Diversified Company.

Respondent Roxanne Thompson maintained that the conduct of CC&Q was inappropriate and individually denied any wrong doing.

Respondent Darrell Davis maintained he acted at all times under the supervision and control of CC&Q Investors Diversified Company and in essence denied any wrongdoing.

Respondent Robert F. Craig and CC&Q Investors Diversified Company asserted a counterclaim at the hearing which was in effect a claim for damages under a theory of abusive litigation.

RELIEF REQUESTED

Claimant requested damages for his initial investment in the sum of \$4,335.84 plus the 100% guaranteed return plus a days' wages spent retrieving and preparing necessary documents which equals \$80.00 plus any fees incurred for arbitration purposes for a total claim of \$9,000.00

Respondents Robert F. Craig and CC&Q Investors Diversified Company requested a dismissal of the Claimant's claim and requested an award on their counterclaim.

Respondents Darrell Davis and Roxanne Thompson did not address the issue of relief at the hearing.

AWARD

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


1. The Respondents CC&Q Investors Diversified Company and Darrell Davis be and hereby are liable jointly and severally and shall pay to the Claimant the sum of \$4,335.84 interest specifically excluded.
2. All claims against the Respondents Roxanne Thompson and Robert F. Craig be and hereby are dismissed in all respects.
3. The Respondent Robert F. Craig and CC&Q Investors Diversified Company's counterclaim is denied.
4. The Respondents CC&Q Investors Diversified Company and Darrell Davis be and hereby are liable jointly and severally and shall pay to the Claimant the sum of \$275.00 to reimburse him for his fees paid.

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FORUM FEES

Pursuant to Section 43(c) of the Code of Arbitration Procedure the NASD shall retain the \$75.00 claim filing fee and the \$200.00 hearing session deposit previously paid by the Claimant.

ARBITRATORS' SIGNATURE



Joel S. Arogeti
Public Arbitrator

Date of Decision: May 6, 1994