

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Michael Powell

93-04651

Name of Respondents

Desert Mountain Securities

Bob Quiel

Michael Quiel

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. (NASD) on November 4, 1993, Claimant Michael Powell ("Powell") alleged that in June of 1993, Respondent Michael Quiel made false promises and misleading statements in connection with the solicitation of shares in two new "hot" issues in that Respondent Michael Quiel: required Claimant to deposit \$2,000 with Respondent Desert Mountain Securities ("Desert Mountain") prior to trading; did not sell Claimant the two new issues as promised, but instead sold him 2,000 shares of another new issue, Multi Market Radio ("Multi Market"); failed to provide Claimant with a prospectus for Multi Market; failed to cancel the purchase order for Multi Market as requested by Claimant; and sold out Claimant's position at a loss. Claimant further alleged that Respondent Bob Quiel, compliance officer for Respondent Desert Mountain, was unsympathetic to Claimant's complaint.

In an answer filed with the NASD on February 7, 1994, Respondent Bob Quiel stated that Respondent Michael Quiel gave every effort to obtain three new issues for Claimant; that Claimant was asked to put up a good faith deposit of \$2,000 in anticipation of purchasing these new issues; and that the only issue they were able to obtain for Claimant, Multi Market, turned out to be less "hot" than Claimant wanted. Respondent Bob Quiel further stated that when Claimant did not pay for the Multi Market purchase, the position was sold out for a \$2,089 loss that was partially covered by Claimant's deposit.

In an answer filed with the NASD on February 7, 1994, Respondent Michael Quiel denied each and every substantive allegation. Michael Quiel further stated that at first Claimant seemed satisfied with his investment in Multi Market, but

that on settlement day Claimant stated that he no longer wanted the stock.

RELIEF REQUESTED

Claimant requested \$4,000 representing double the amount of his actual loss.

Respondents did not state a specific relief.

AWARD

Pursuant to Section 13 of the National Association of Securities Dealers, Inc. Code of Arbitration Procedure, a single public arbitrator, Marvin Elster, Esq., was selected to review and determine the matter in controversy between the parties set forth in submissions to Arbitration signed by: the Claimant on October 25, 1993; Robert A. Quiel, Vice President, on behalf of Respondent Desert Mountain Securities on January 4, 1994; Respondent Bob Quiel on February 4, 1994; and Michael Quiel on February 4, 1994.

The Arbitrator, having considered the proof of the Parties, has decided and determined in full and final resolution of the issues submitted for determination as follows:

1. The Statement of Claim filed by Claimant Michael Powell, is denied and dismissed in its entirety.
2. Each of the parties shall bear their own costs and expenses incurred, other than those specifically provided for herein.
3. Any relief not specifically provided for herein is denied.

AFFIRMATION

I, Marvin Elster, do hereby affirm upon my oath of arbitrator that I am the individual described herein and who executed this instrument, which is my oath and award.



Signature of Arbitrator

12-20-94
Date

Date Award Served by the NASD: 12/29/94