

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimants

Peter and Patricia Coffin

vs.

Case #
93-04991

Name of Respondents

Peek Equity Services Inc.
Robert L. Peek

REPRESENTATION

For Claimants, Peter and Patricia Coffin ("Claimants"), Alfred Rubega, Esq., located in Concord, New Hampshire.

For Respondents, Robert L. Peek ("Peek") and Peek Equity Services (collectively, "Respondents"), Steven W. Hansen, Esq. from the law firm of Bingham Dana & Gould, located in Boston, Massachusetts.

CASE INFORMATION

Statement of Claim was filed on November 30, 1993.

Claimant's Submission Agreement was signed on November 30, 1993.

Statement of Answer was filed by Respondents on March 29, 1994.

Respondents Submission Agreement was signed on March 29, 1994.

HEARING INFORMATION

Hearing Dates/Sessions: November 8, 1994 - 2 sessions
 January 4, 1995 - 2 sessions

Hearing Location: NASD offices located in Boston, Massachusetts.

CASE SUMMARY

Claimants maintain that they commenced this action to recover damages as a result of

Respondents' violation of the antifraud provisions of the 1933 and 1934 Securities Acts, SEC Rule 10b-5, the New Hampshire Securities Act, RSA 421-B, and the regulations promulgated thereunder. Claimants allege the following common law theories for liability: negligence and breach of contract. Claimants also maintain that PES is liable under the controlling person provisions of the 1933 and 1934 Acts, the New Hampshire Securities Acts as well as respondeat superior.

Claimants allege that they are the owners of a small computer business and that they advised Peek, a customer of theirs, that their investment objectives were conservative, tax savings, a savings plan for their children's college education and their retirement. Claimants also allege that Respondents recommended that they purchase 1/2 unit at \$50,000.00 of CHIPS VI Historic Rehab Real Estate Limited Partnership and misrepresented Claimants financial status to allow them to qualify for this Limited Partnership. Claimants state that they made a \$7,500.00 down payment and executed a note in the amount of \$42,500.00 for which they are now being sued. Claimants further allege that this Limited Partnership became bankrupt within six months after they signed the note. Claimants state that Respondents failed to do their due diligence and placed them in an unsuitable, highly leveraged and risky investment vehicle and overconcentrated their finances in this investment.

Respondents deny the allegations of wrongdoing and deny liability to the Claimants. Respondents contend that due diligence efforts were made with respect to the investment in light of their resources and based upon this information, they determined that Claimants were suitable investors. Respondents also maintain that Claimants were given full disclosure and sufficient time to evaluate the investment.

RELIEF REQUESTED

Claimants request an award of \$70,000.00 to cover their liability to the bank, \$18,000.00 in attorney's fees to defend against the action brought by the bank, lost opportunity cost in the amount of \$1,800.00, treble and/or punitive damages.

Respondents request that the claim be denied.

OTHER ISSUES CONSIDERED & DECIDED

The parties have agreed that the Award in this matter may be executed in counterpart copies and agreed to receive conformed copies of the Award while the original remains on file with the NASD.

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. Respondents are jointly and severally liable and shall pay Claimants **FORTY NINE THOUSAND DOLLARS AND ZERO CENTS (\$49,000.00)**.
2. The claims for costs, attorneys' fees, interest, expert witness fees and punitive/treble damages are denied.

FORUM FEES

Pursuant to Section 43(c) of the *Code of Arbitration Procedure*, the following Forum Fees are assessed.

Non-refundable Filing Fee: \$200.00

Hearing Sessions Fees: \$3,000.00 (4 sessions x \$750.00 per session)

Total Fees = \$3,200.00

1. Claimants are assessed \$200.00 non-refundable filing fee. Claimants are further assessed \$1,500.00. Claimants previously paid \$950.00 and owe a balance of \$750.00.
2. Respondents are jointly and severally assessed \$1,500.00.

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

ARBITRATION PANEL

Gerard S. Marsan, Esq.	-	Public Chairperson
Janice M. Mendes	-	Public Panelist
Stephen Brown	-	Industry Panelist

Concurring Arbitrator's Signature


Gerard S. Marsan, Esq.

Date of Decision: March 15, 1995

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:

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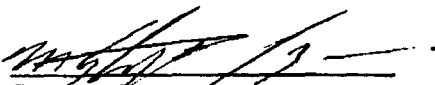
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ARBITRATION PANEL

Gerard S. Marsan, Esq.	-	Public Chairperson
Janice M. Mendes	-	Public Panelist
Stephen Brown	-	Industry Panelist

Dissenting Arbitrator's Signature


Stephen Brown

Date of Decision: March 15, 1995