

**N.A.S.D. AWARD**

**NATIONAL ASSOCIATION OF SECURITIES DEALERS**

**Name of Claimant**

Sharon Ickes

94-00325

**Name of Respondents**

Foster Jeffries Co., Inc. and William Walters

---

**REPRESENTATION OF PARTIES**

For Claimant, Sharon Ickes ("Ickes") at the hearing: Thomas P. Ward, Esq. of McBride Baker & Coles, Chicago, Illinois and Deborah L. Mahoney, Esq. of Mahoney & Burke, Chicago, Illinois.

For Respondents Foster Jeffries Co. ("Foster Jeffries") and William Walters ("Walters") at the hearing: Robert C. Roth, Jr. of Shaw, Spangler & Roth, P.C., Denver, Colorado.

**CASE INFORMATION**

Statement of Claim was filed on January 26, 1994. First Amended Statement of Claim was filed on October 20, 1994. Claimants' Submission Agreement was signed on November 19, 1993.

Joint Statement of Answer was filed by Respondents, Foster Jeffries and Walters on March 8, 1994. Answer to First Amended Statement of Claim was filed on November 14, 1994. Respondents, Foster Jeffries and Walter 's Submission Agreements were signed on March 1, 1994.

**HEARING INFORMATION**

The hearing was held on February 27, 1995 for two (2) sessions in Chicago, Illinois.

**CASE SUMMARY**

Claimant Ickes alleged that Respondents, Foster Jeffries and Walters engaged in misrepresentations concerning her accounts held with Foster Jeffries. Ickes further alleged that she believed all purchases made for and/or recommended to her were Initial Public Offerings(IPO); only one purchase was an IPO.

Respondents Foster Jeffries and Walters, in their joint Statement of Answer, stated that Ickes had extensive investment experience and her reliance of their alleged false and misleading statements are not justified. Respondents denied engaging in any false representations.

#### RELIEF REQUESTED

Claimant requested rescission of the purchases made in her account and for \$37,675.00, plus interest at the rate of 10% per annum plus attorney's fees of \$13,500.00; damages in the amount of \$37,675.00 plus punitive damages of \$113,025.00 for fraud; damages in the amount of \$59,995.00 for breach of contract; and punitive damages under 815 ILCS 505/10a of the Illinois Consumer Fraud and Deceptive Business Practices Act and reasonable attorneys fees and costs. The panel is requested to award claimant \$59,995.00 in actual damages plus \$180,000.00 in punitive damages, plus \$13,500.00 in attorney fees, plus costs.

Respondents requested that the claim be denied and that Respondents be awarded their attorney's fees and costs in this matter.

#### OTHER ISSUES CONSIDERED AND DECIDED

Respondent's submitted a Motion To Change the Location of the Hearing. The panel denied the motion.

The parties have agreed that the Award in this matter may be executed by 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 original(s) 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. Claimant's Statement of Claim is denied and dismissed in its entirety;

2. Each of the parties shall bear their own costs and expenses, including attorney's fees, other than those specifically enumerated under Forum Fees.

FORUM FEES

Pursuant to Section 43(c) of the NASD Code of Arbitration Procedure, the following forum fees are assessed:

2 hearing sessions x \$1000 = \$2000 minus hearing session deposit of \$1000 = net \$1000 due to the NASD.

Pursuant to Section 43(c) of the Code, the NASD shall retain the nonrefundable filing fee in the amount of \$250, and shall retain the hearing session deposit in the amount of \$1000 previously paid to the NASD by Claimant. The additional forum fees in the sum of \$1000 shall be paid by Respondents, Foster Jeffries and William Walters, jointly and severally.

Additional Forum Fees assessed by the panel are payable to the National Association of Securities Dealers, Inc.

By The Arbitration Panel:

Dated:

3/6/95

s/s Charles A. Brizzolare  
Charles A. Brizzolara, Esq.  
Presiding, Public Arbitrator

3/5/95

s/s Sheila A. Reilly  
Sheila A. Reilly, Esq.  
Public Arbitrator

3/6/95

s/s Albert Pick, III  
Albert Pick, III  
Industry Arbitrator

Date Award Served By The NASD: 4/27/95