

**NASD AWARD**

**NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.**

In the Matter of the Arbitration Between

Robert Elmer

Claimant,

v.

95-1388

Jesse Gonzales,  
AMR Securities, Inc.,

Respondents,

**REPRESENTATION OF PARTIES**

Claimant, Robert Elmer, was represented by Hobert T. Douglas, Esq., of Hobert T. Douglas II P.C. & Associates located in Arlington, Texas.

Respondent AMR Securities, Inc. was represented by Tony Elgindy, of AMR Securities, Inc. located in Hurst, TX.

Jesse Gonzales was not represented by counsel in this matter.

**CASE INFORMATION**

The Statement of Claim was filed on or about March 20, 1995. Submission Agreement of Claimant was signed on March 17, 1995.

Respondent AMR Securities, Inc.'s Statement of Answer was filed on or about June 9, 1995. Submission Agreement of Respondent was signed on June 9, 1995 by Tony Elgindy former officer of AMR Securities.

Respondent Jesse Gonzales neither filed a Statement of Answer nor a Submission Agreement.

**HEARING INFORMATION**

The hearing was held on December 4, 1995 for one (1) session. The hearing location was Dallas, Texas.

### **CASE SUMMARY**

Claimant alleged that Respondent Jesse Gonzales, an account executive at AMR Securities, Inc., contacted Claimant on January 6, 1993 by telephone and made misrepresentations with respect to CBLX Holdings, Inc., which induced Claimant to purchase 2000 shares of the stock. Claimant alleges that the stock has not performed in accordance with Gonzales's information. Claimant alleges he never would have purchased CBLX Holdings, Inc., but for Gonzales's misrepresentations about it.

Respondent AMR Securities, Inc. denied the allegations set forth in the Statement of Claim. Respondent alleged that Claimant specifically authorized and accepted the purchase of the 2000 shares .

### **RELIEF REQUESTED**

Claimant requested an award in the amount of \$4,288.25 for compensatory damages plus interest and attorney fees.

Respondent AMR Securities, Inc. requested that the claims asserted against it be denied in its entirety and that it be awarded its' costs and attorneys' fees and such other relief the panel feels is proper.

### **OTHER ISSUES CONSIDERED & DECIDED**

Respondents AMR Securities, Inc. and Jesse Gonzales did not appear at the hearing of this matter. Upon review of the file and the representations made by/on behalf of the Claimant, the undersigned arbitrators have determined that Respondents AMR Securities, Inc. and Jesse Gonzales have been properly served with the Statement of Claim pursuant to §13 and §25 of the NASD Code of Arbitration Procedure (the "Code"). The undersigned arbitrators have also determined that Respondents AMR Securities, Inc. and Jesse Gonzales had received due notice of the hearing as required under §26 of the Code and that arbitration of the matter would proceed pursuant to §29 of the Code.

J.W. Securities was served on a voluntary basis by the NASD. Through an agreement with Claimant dated October 9, 1995, J.W. Securities, Inc. was dismissed from this action.

The parties have agreed that a handwritten, signed Award may be entered. The parties have 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 and the post-hearing submissions, the undersigned arbitrators have decided in full and final resolution of the issues submitted for determination as follows:

1. That Respondents AMR Securities, Inc. and Jesse Gonzales are joint and severally liable to Claimant for compensatory damages in the amount of \$4,288.25 and his attorney's fees in the amount of \$900.00.
2. That other than forum fees which are addressed below, any relief not specifically awarded is hereby denied.

**FORUM FEES**

Forum fees are calculated at the rate of \$100.00 per hearing session and \$300 for each prehearing conference, if any. There was one session  $1 \times \$100.00 = \$100.00$  in forum fees. Pursuant to §43(b) of the NASD Code of Arbitration Procedure (the "Code"), a hearing session is any meeting between the parties and the arbitrator(s), including a pre-hearing conference with an arbitrator, which lasts four (4) hours or less.

Pursuant to §43(c) of the Code, the NASD shall retain the non-refundable filing fee in the amount of \$50.00 and shall retain as forum fees the hearing session deposit in the amount of \$100.00 previously deposited with the NASD by the Claimant.

Respondent AMR Securities, Inc is liable for and shall pay to Claimant all forum fees incurred as a result of this action. Respondent shall pay Claimant \$150.00 (\$100 hearing session deposit and \$50.00 filing fee).

Pursuant to §45 of the Code, AMR Securities, Inc. shall pay the member surcharge fee in the amount of \$100.00.

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

Signature of Arbitrator:

/s/ Winston Fournier

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Winston C. Fournier, Esq.  
Public Arbitrator, Presiding

Dated:

April 19, 1996

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Date of Service of Award: April 25, 1996