

AWARD

**NASD REGULATION, INC.,
OFFICE OF DISPUTE RESOLUTION**

In the matter of the Arbitration Between

Name of Claimant

De Anza National Bank

v.

NASD Regulation, Inc.
Arbitration No. 95-03615

Name of Respondents

Robert Colvin and RAF Financial Corporation

REPRESENTATION

For Claimant:

Montgomery G. Griffin, J.D.
Law Offices of Jeff Dennis Ferenz
Newport Beach, California

For Respondents:

James Rollin Miller, Esq.
Paul R. Wood, Esq.
Miller & Welch, L. L. C.
Denver, Colorado

CASE INFORMATION

Statement of Claim filed:	July 5, 1995
Claimant's Submission Agreement signed:	July 12, 1995
Joint Statement of Answer filed by Respondents:	September 15, 1995
Respondent Robert Colvin's Submission Agreement signed:	August 29, 1995

Respondent RAF Financial Corporation's
Submission Agreement signed:

August 29, 1995

HEARING INFORMATION

Pre-Hearing Conference Date / Session: June 27, 1996 (1 Session)
October 11, 1996 (1 Session)
October 16, 1996 (1 Session)
January 16, 1997 (1 Session)
April 7, 1997 (1 Session)

Hearing Dates / Sessions: November 18, 1996 (2 Sessions)
November 19, 1996 (2 Sessions)
November 20, 1996 (2 Sessions)
November 21, 1996 (2 Sessions)
April 14, 1997 (2 Sessions)
April 15, 1997 (2 Sessions)
April 16, 1997 (2 Sessions)

Hearing Location: Los Angeles, California

CASE SUMMARY

Claimant alleged that Respondents recommended securities that were unsuitable for Claimant's investment purposes. Claimant also alleged that Respondents breached their fiduciary duty owed to the claimant. Claimant further alleged that the actions of the Respondents constituted fraud. Claimant alleged that the Respondents were negligent in making statements about the securities. Claimant further alleged that Respondent RAF Financial Corporation was negligent in failing to supervise Respondent Robert Colvin.

Respondents denied each and every allegation of wrongdoing set forth in the Claimant's Statement of Claim.

RELIEF REQUESTED

Claimant requested compensatory damages for not less than \$300,000. Claimant also requested punitive damages, interest, costs, fees and expenses.

Respondents requested that Claimant's claim be dismissed. Respondents also requested attorney's fees.

OTHER ISSUES CONSIDERED AND DECIDED

The parties have agreed that the Award in this matter may be executed in either 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 remains on file with the NASD Regulation, Inc. Office of Dispute Resolution.

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. All of the Claimant's claims are denied in their entirety.
2. The Parties shall each bear their respective costs, including attorney's fees.

FORUM FEES

Pursuant to Rule 10332(c) of the Code of Arbitration Procedure, the following forum fees are assessed against Claimant:

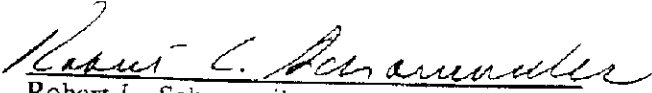
1 Full Panel Pre-Hearing Conference @ \$750.00/Session	=	\$750.00
4 One Panel Member Pre-Hearing Conferences @ \$300.00/Session	=	\$1,200.00
14 Hearing Sessions @ \$750.00/Session	=	\$10,500.00
<hr/>		
Total Fees Assessed Against Claimant:	=	\$12,450.00


Fees are payable to NASD Regulation, Inc.


ARBITRATORS

<u>Name</u>	<u>Public</u>	<u>Industry</u>
Robert L. Schouweiler	Public	
Robert S. Clarke	Public	
Robert H. Bothner	Industry	

Concurring Arbitrators' Signatures


Robert L. Schouweiler


Robert S. Clarke


Robert H. Bothner

Date of Decision: _____

Date of Service: _____