

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Tyron W. Deygoo

95-04682

Name of Respondent

Chatfield Dean & Co., Inc.

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on October 3, 1995, Claimant Tyron W. Deygoo ("Claimant"), who appeared Pro Se, alleged that Respondent Chatfield Dean & Co., Inc. ("Chatfield Dean"), through its employee, Joseph Vasquez ("Vasquez"), coerced him into purchasing unsuitable investments by promising a great return on a small investment. Claimant further alleged that in October of 1989, he opened an account with J.W. Gant & Associates, Inc. and Vasquez pressured him until he purchased \$5,492.00 worth of Aspen Marine Company ("Aspen"). Claimant contended that in May of 1990, J.W. Gant & Associates, Inc. closed its business and that its assets and liabilities were acquired by Stuart-James Company, Inc. ("Stuart-James"), which in turn became defunct in December of 1990. Claimant further contended that Stuart-James' assets, liabilities and staff were then acquired by Chatfield Dean and that Vasquez remained his broker. Claimant alleged that in January of 1993, Aspen suffered a reverse split of 20-1. Claimant further alleged that he later discovered that Aspen was bankrupt and delisted from NASDAQ, and that Vasquez was no longer employed with Chatfield Dean, and that due to the wrongdoing of Respondent, he has suffered a loss for which the Respondent should be held liable.

Respondent Chatfield Dean & Co., Inc., maintained that in 1989, Claimant opened an investment account and purchased two low-priced securities with J.W. Gant & Associates, Inc. and then followed Vasquez to Stuart-James Company, where he opened an account in May of 1990. Respondent further maintained that in November of 1990, Stuart-James notified its customers that it was going out of business, and recommended that they either move their accounts or sell their investments, or else their accounts would be transferred to Chatfield Dean. Respondent contended that Claimant's account was transferred to Chatfield Dean and that Claimant's allegation that Chatfield Dean acquired Stuart-James' assets, liability and staff is untrue. Respondent further contended that in 1993, Claimant's account was closed for failure to pay the account maintenance fee. Respondent asserted that Chatfield Dean delivered a stock certificate to Claimant for 400 shares of Aspen, at a value of \$1,450.00, and that this was more than his account balance was when he first opened his Chatfield Dean account. Respondent further asserted that as a result of the above, Claimant suffered no loss while investing through Chatfield Dean, and therefore, it should not be held liable.

RELIEF REQUESTED

Claimant Tyron W. Deygoo, requested \$5,492.00 in actual damages, plus costs.

Respondent Chatfield Dean & Co., Inc., requested that the claims of the Claimant Tyron W. Deygoo be dismissed.

AWARD

Pursuant to Section 13 of the NASD, Inc. Code of Arbitration Procedure, a single Public Arbitrator, Charles Kleinbaum, Esq., was selected to review the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimant Tyron W. Deygoo, on September 29, 1995, and by the Respondent Chatfield Dean & Co., Inc., on November 13, 1995.

And, 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 claims of the Claimant Tyron W. Deygoo, against the Respondent Chatfield Dean & Co., Inc. are dismissed in their entirety.
2. The parties shall bear their respective costs.
3. The \$150.00 filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimant Tyron W. Deygoo, shall be retained by the NASD, Inc.

AFFIRMATION

I, **CHARLES KLEINBAUM, ESQ.**, do hereby affirm, pursuant to Section 7507 of the Civil Procedure Law and Rules that I am the individual described herein and who executed this instrument, which is my oath and award.

A handwritten signature in cursive script, appearing to read "Charles Kleinbaum", is written over a horizontal line.

CHARLES KLEINBAUM, ESQ.

DATE OF DECISION: May 29, 1996