

## AWARD

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

In the matter of the Arbitration Between

Name of Claimant

Christine Disandro Ackerman

v.

Arbitration No.  
96-00830

Name of Respondents

Priscilla Brehm; Shearwater Securities; California Capital Services, Inc.; Lon Morton; The Morton Family Trust; Morton Capital Management; Richard A. Leach; MLC Property Advisers, Inc.; and Calabasas Management, Inc.

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### REPRESENTATION

For Claimant:

Ricki C. Ring, Esq./Jay Stern, Esq.  
Law Offices of Ricki C. Ring  
Los Angeles, California

For Respondent Priscilla Brehm:

Michael L. Glickfield, Esq.  
Glickfield, Fields & Jaffe  
Los Angeles, California

For Respondent California Capital  
Services, Inc.:

Richard A. Leach, Esq.  
Law Offices of Richard A. Leach  
Woodland Hills, California

### CASE INFORMATION

Statement of Claim filed:	February 22, 1996
Claimant's Submission Agreement signed:	February 13, 1996
Statement of Answer filed by Respondent Priscilla Brehm:	May 23, 1996
Statement of Answer filed by Respondent Shearwater Securities:	May 6, 1996
Statement of Answer filed by Respondent California Capital Services, Inc.:	May 24, 1996
Respondent Priscilla Brehm's Submission Agreement signed:	April 16, 1996
Respondent Shearwater Securities' Submission Agreement signed:	May 2, 1996
Respondent California Capital Services, Inc.'s Submission Agreement signed	May 6, 1996

### HEARING INFORMATION

Pre-Hearing Conference Dates/Sessions:	August 22, 1996 (1 session) October 28, 1996 (1 session) February 6, 1997 (1 session) May 12, 1997 (1 session)
Hearing Dates/Sessions:	September 23, 1997 (2 sessions) September 24, 1997 (2 sessions) September 25, 1997 (2 sessions) September 29, 1997 (2 sessions) September 30, 1997 (2 sessions) October 1, 1997 (2 sessions) October 28, 1997 (2 sessions)
Hearing Location:	Los Angeles, California

### **CASE SUMMARY**

Claimant alleged that Respondents suggested unsuitable securities, were negligent, breached their contract with Claimant, engaged in misrepresentation and fraud, and breached the fiduciary duty owed to Claimant. Claimant further alleged that Respondents Shearwater Securities and California Capital Services, Inc. failed to properly supervise their broker.

Respondents denied the allegations of wrongdoing found in the Claimant's Statement of Claim.

### **RELIEF REQUESTED**

Claimant requested \$75,958.00 in compensatory damages, interest of \$58,606.00, attorney's fees and costs, and punitive damages.

Respondents requested that Claimant's claims be dismissed with prejudice and requested expenses, including attorney's fees and costs related to the defense of this matter.

### **OTHER ISSUES CONSIDERED AND DECIDED**

On February 6, 1997, the Arbitration Panel convened a telephonic Pre-Hearing Conference. During the Conference, the Panel granted Claimant's request to file an Amended Statement of Claim.

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 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 of the Code of Arbitration Procedure, the following forum fees are assessed:

Three (3) Full Panel Pre-Hearing Conference Sessions @ \$750.00/Session	= \$2,250.00
One (1) Single Arbitrator Pre-Hearing Conference Session @ \$300.00/Session	= \$300.00
<u>Fourteen (14) Hearing Sessions @ \$750.00/Session</u>	<u>= \$10,500.00</u>
Total Fees Assessed, jointly and severally, against Respondents Priscilla Brehm and California Capital Services, Inc.	= \$13,050.00

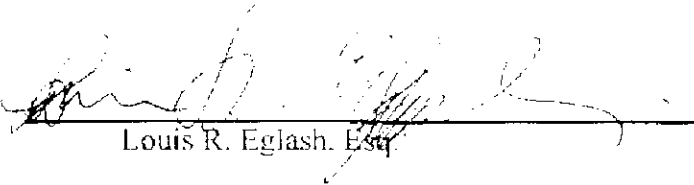
NASD Regulation, Inc. will refund Claimant's Hearing Session Deposit of \$750.00.

Fees are payable to NASD Regulation, Inc.

ARBITRATORS

<u>Name</u> .....	<u>Public / Industry</u>
Louis R. Eglash, Esq.	Public Arbitrator
Lois J. Cox	Industry Arbitrator
Lawrence J. Berkowitz, Esq.	Public Arbitrator

Concurring Arbitrators' Signatures

  
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Louis R. Eglash, Esq.

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Lois J. Cox

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Lawrence J. Berkowitz, Esq.

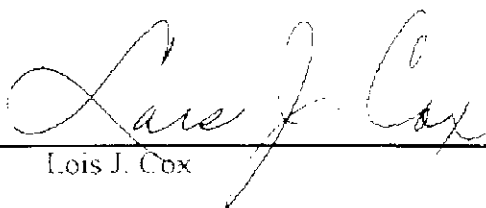
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ARBITRATORS

<u>Name</u> .....	<u>Public</u>	<u>Industry</u>
Louis R. Eglash, Esq.		Public Arbitrator
Lois J. Cox		Industry Arbitrator
Lawrence J. Berkowitz, Esq.		Public Arbitrator

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Lois J. Cox

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Lawrence J. Berkowitz, Esq.

Date of Service: 12/1/77


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Date of Service: \_\_\_\_\_