

NASDR AWARD

NASDR, INC., OFFICE OF DISPUTE RESOLUTION

In the matter of the Arbitration Between

Name of Claimant

Lana Vanderplas

NASDR Arbitration
#96-00951

vs.

Name of Respondents

New England Securities Corp.
Timothy J. Schumacher

REPRESENTATION

For Claimant: Steve D. Larson, Esq., Stoll Stoll Berne Lokting & Shlachter P.C.,
Portland, Oregon

For Respondents: Richard Stowell, Esq., Lord, Bissell & Brook, Chicago, Illinois

CASE INFORMATION

Statement of Claim filed: March 4, 1996

Claimant's Submission Agreement signed: February 23, 1996

Joint Statement of Answer filed: July 29, 1996

Respondents' Submission Agreements signed:

New England Securities: July 24, 1996

Timothy Schumacher: July 25, 1996

HEARING INFORMATION

The evidentiary hearing was held in Portland, Oregon, on October 9, 1996, and lasted 2 sessions.

CASE SUMMARY

Claimant alleged fraud, breach of fiduciary duty, negligence, violation of state and federal securities laws, and misrepresentation with respect to her investments in mutual funds.

Respondents denied the allegations of wrongdoing, and stated that the nature of the investments was fully and properly explained to Claimant prior to investment.

RELIEF REQUESTED

Claimant requested damages in excess of \$50,000, punitive damages, costs of arbitration and attorney's fees.

Respondents requested dismissal of the claims, and further stated that Claimant's damage claims did not include offset for checks Claimant wrote against her account in the amount of \$45,461.64.

OTHER ISSUES

The parties have agreed to receive copies of the Award while the originals remain on file with the NASDR.

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. Respondents are jointly and severally liable for and shall pay to Claimant the sum of \$60,000, which amount is composed of \$45,000 in compensatory damages and \$15,000 in attorney's fees pursuant to Kansas Statute 17.1268. The award is based on negligent misrepresentation of material fact, inappropriate investments and failure to supervise.

FORUM FEE

Pursuant to Section 43(c) of the Code of Arbitration Procedure, the NASDR shall refund the \$750 hearing session deposit paid by Claimant.


Respondents are jointly and severally assessed \$1500 as forum fees for 2 sessions. Forum fees are payable to NASDR, Inc.

ARBITRATORS

<u>Name</u>	<u>Public / Industry</u>
Gerald D. Wygant	Public
Nelson Olf	Public
Guy E. Jaques	Industry

Concurring Arbitrators Signatures

Gerald D. Wygant



Nelson Olf

Guy E. Jaques

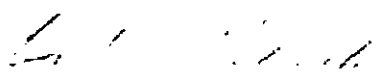
Date of Decision: _____

Date Served: 12/02/96

ARBITRATORS

<u>Name</u>	<u>Public / Industry</u>
Gerald D. Wygant	Public
Nelson Olf	Public
Guy E. Jaques	Industry

Concurring Arbitrators Signatures



Gerald D. Wygant

Nelson Olf

Guy E. Jaques

Date of Decision: 12/11/96

Date Served: 13/02/96

ARBITRATORS

<u>Name</u>	<u>Public / Industry</u>
Gerald D. Wygant	Public
Nelson Olf	Public
Guy E. Jaques	Industry

Concurring Arbitrators Signatures

Gerald D. Wygant

Nelson Olf



Guy E. Jaques

Date of Decision: 11-2-96

Date Served: 12/02/96