

N.A.S.D. FINAL ORDER

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimants

Richard W. & Laura W. Reed
Richard W Reed & Laura W. Reed Living Trust

96-02096

Name of Respondents

Retirement Investment Group
Gail Ann Gentry
Thomas Cannon
Gail Griseuk & Associates, Inc.
TEI Strategies, Inc.
Aragon Financial Services, Inc.

REPRESENTATION

For Claimants: Michael W. Pursley, Arbitration Research Consultants, Inc., Safety Harbor, FL.

For Respondent Retirement Investment Group, Inc.: James H. Thornton, President, Retirement Investment Group, Inc., Houston, TX.

Respondents Thomas Cannon, Gail Ann Gentry, Gail Griseuk & Associates, Inc., T.E.I. Strategies, Inc. and Aragon Financial Services, Inc. all appeared pro se.

CASE INFORMATION

Statement of Claim filed: May 15, 1996.

Claimants' Submission Agreement signed on: April 18, 1996.

**Statement of Answer filed by Respondent Thomas Cannon ("Cannon") on: September 3, 1996.
Respondent Cannon's Submission Agreement signed on: August 27, 1996.**

Respondents Gail Ann Gentry ("Gentry"), Gail Griseuk & Associates, Inc. ("GG&A"), T.E.I. Strategies, Inc. ("TEI"), Retirement Investment Group, Inc. ("RIG") and Aragon Financial Services, Inc. ("AFS") did not submit Statements of Answer or execute Submission Agreements as required pursuant to Rules 10301 and 10314 of the Code of Arbitration Procedure ("Code").

HEARING INFORMATION

On December 6, 1996 a telephonic pre-hearing conference lasting one session was conducted with the full panel.

CASE SUMMARY

Claimants alleged that through fraudulent and/or negligent misrepresentations they were induced to invest a substantial amount of their life savings in unsuitable limited partnerships. Claimants alleged that Respondents also invested their funds in a discretionary account in extremely aggressive and unsuitable option and stock speculations.

Respondent Cannon denied each and every allegation asserted in the Statement of Claim. Cannon further asserted that he did not recommend to Claimants or purchase on behalf of Claimants any unsuitable investments and did not make fraudulent or negligent misrepresentations of any type to the Claimants.

Respondents Gentry, GG&A, TEL, RIG and AFS did not submit Statements of Answer.

RELIEF REQUESTED

Claimants requested compensatory damages of \$156,520.41, interest, costs, expenses, and disbursements.

Respondent Cannon requested dismissal of the Statement of Claim in its entirety.

OTHER ISSUES CONSIDERED & DECIDED

On September 16, 1996 Claimants dismissed with prejudice Respondent Aragon Financial Services, Inc. from this matter.

On January 2, 1997, the NASD received a letter from Respondent Thomas Cannon asking that the Panel issue an Order expunging all references to this arbitration from his CRD record.

On January 6, 1997 Claimants dismissed Respondent Thomas Cannon with prejudice and submitted a request that all references to this arbitration be expunged from Thomas Cannon's CRD record.

On January 8, 1997 Claimants dismissed all remaining Respondents with prejudice.

ORDER

After considering the pleadings, the arguments proffered at the pre-hearing telephone conference conducted on December 6, 1996, and the Claimants' and Respondent Thomas Cannon's request for expungement of any reference to this arbitration from the CRD record of Respondent Thomas Cannon, the arbitration panel has ordered the following:

Respondent Thomas Cannon's CRD records shall be expunged of any and all references to this arbitration.

FORUM FEES

Pursuant to Rule 10332(c) of the Code of Arbitration Procedure, the Panel has assessed forum fees in the amount of \$750.00 (one pre-hearing conference at \$750.00).

- 1) Claimants are hereby assessed \$750.00 for which the NASD shall retain the \$750.00 previously deposited by them in full satisfaction thereof.
- 2) The NASD shall retain the non-refundable filing fee of \$200.00 paid by the Claimants.
- 3) Respondent Aragon Financial Services, Inc. is still owing \$350.00 pursuant to Rule 1033 of the Code for the previously assessed member surcharge.

Concurring Arbitrators' Signatures

/s/

Elsie C. Turner, J.D.

Public Arbitrator

/s/

Leslie Bishop

Industry Arbitrator

/s/

Janice C. Buchman, Esq.

Public Arbitrator

Date of Decision: April 22, 1997