

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimants

Bernard L. and Shirley A. Georskey

96-02400

Name of Respondents

Chatfield Dean & Company, Inc
Ali D. Eryurt

REPRESENTATION

For Claimants: W. Andrew Clayton, Jr., Esq. of The Clayton Law Firm, P.A., Sarasota, FL.

For Respondents Chatfield Dean & Company, Inc. ("Chatfield") and Ali D. Eryurt ("Eryurt"):
Christa D. Taylor, Esq. of Chatfield Dean & Company, Inc., Greenwood Village, CO.

CASE INFORMATION

Statement of Claim filed: June 6, 1996.

Claimants' Submission Agreement signed on: May 10, 1996.

Statement of Answer filed by Respondent Chatfield Dean & Company, Inc. on: July 22, 1996.
Amended Statement of Answer filed by Respondent Chatfield Dean & Company, Inc. on:
August 19, 1996.

Respondent Chatfield Dean & Company, Inc.'s Submission Agreement signed on: July 16, 1996.

Respondent Ali D. Eryurt originally did not file a Statement of Answer as required pursuant to Rules 10301 and 10314 of the Code of Arbitration Procedure ("Code"). On March 5, 1996, at the commencement of the hearing, upon request by Respondent Ali D. Eryurt's attorney, the Arbitration Panel incorporated Respondent Chatfield Dean's Statement of Answer and all other Chatfield Dean pleadings as part of Respondent Eryurt's defense.

Respondent Ali D. Eryurt did not file an executed Submission Agreement as required pursuant to Rules 10301 and 10314 of the Code.

HEARING INFORMATION

On March 5 and March 6, 1997, in Tampa, FL, hearings lasting 4 sessions were conducted.

CASE SUMMARY

Claimants alleged that they are in their seventies and had minimal prior investment experience before investing approximately \$144,000.00 with Chatfield Dean & Co., Inc. between the end of 1990 and June 1994. They alleged that Respondents recommended and sold to them unsuitable, speculative, low-priced securities during that time period. Claimants asserted that they did not discover the wrongful nature of Respondents' conduct until Respondent Ali D. Eryurt, who transferred their account with him to another securities firm, engaged in an unauthorized trade in 1995, and they started to re-examine his conduct at Chatfield Dean & Co., Inc., and obtained independent advice concerning the account. Claimants further alleged that many of the securities in dispute were new issues underwritten by Chatfield Dean & Co., Inc. Moreover, Claimants alleged that Respondents failed to deliver prospectuses for many of the new issues, and that Respondents unlawfully marked up many of the over-the-counter, principal transactions. In addition, Claimants alleged that Chatfield Dean & Co., Inc. failed to adequately supervise the activities of the Respondent Ali D. Eryurt.

Respondents denied all allegations of wrongdoing contained within the Statement of Claim. Respondents alleged that Claimants chose risky or somewhat risky stocks and their intent was confirmed in a "suitability letter" completed by the Claimants. The Respondents further alleged that they did not make any misrepresentations to the Claimants and that the prospectuses were delivered to the Claimants.

RELIEF REQUESTED

Claimants requested recovery of their out of pocket losses of approximately \$92,000.00, plus expectation losses, attorneys' fees and costs.

Respondents requested a dismissal of the claim.

OTHER ISSUES CONSIDERED & DECIDED

The parties have agreed that the Award in this matter may be executed in 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 originals remain on file with the NASD.

On February 28, 1997, a Notice of Entry of Appearance was entered by Christa D. Taylor on behalf of Respondent Ali Eryurt.

AWARD

After considering the pleadings, the testimony and the evidence presented at the hearing and post hearing submissions, the undersigned arbitrators have decided in full and final resolution of the issues submitted for determination as follows:

1. Respondents Chatfield Dean & Co., Inc., and Ali D. Eryurt are found not liable and, therefore, all claims against them are dismissed.
2. Claimants' requests for expectation losses, attorneys' fees and costs are denied.

FORUM FEES

Pursuant to Rule 10332(c) of the Code of Arbitration Procedure, the Panel has assessed Forum Fees in the amount of \$3,000.00 (four hearing sessions x \$750.00).

Claimants are hereby assessed \$1,500.00 for which the NASD shall retain the \$750.00 previously deposited by them in partial satisfaction thereof leaving a balance due to NASD Regulation of \$750.00.

Respondent Chatfield Dean & Co., Inc., is hereby assessed \$1,500.00.

The NASD shall retain the member surcharge of \$350.00 paid by Respondent Chatfield Dean & Co., Inc. pursuant to Rule 10333.

The NASD shall retain the non-refundable filing fee of \$200.00 paid by the Claimants.

Fees are payable to the National Association of Securities Dealers, Inc.

Concurring Arbitrators' Signatures

Name

/s/

Public

James A. Cormack

/s/

Industry

Jeffrey P. Julien

/s/

Public

Vernon E. Allen

April 17, 1997

Date of Decision: _____