

**AWARD**

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

In the matter of the Arbitration Between

**Name of Claimants**

Ray-Min Lin and  
Cecilia Lin

v.

Arbitration No.  
96-04115

**Name of Respondents**

Titan/Value Equities Group, Inc. and  
Dale F. Jackson

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**REPRESENTATION**

For Claimant:

Jerome Sapiro, Jr., Esq.  
The Sapiro Law Firm  
San Francisco, California

For Respondent:

Craig R. Bockman, Esq.  
Jones, Bell, Abbott,  
Fleming & Fitzgerald  
Los Angeles, California

**CASE INFORMATION**

Statement of Claim filed:	September 16, 1996
Amended Statement of Claim filed:	November 29, 1996
Claimants' Submission Agreement signed:	September 11, 1996
Joint Statement of Answer filed by Respondents:	October 28, 1996
Respondent Titan/Value Equities Group, Inc.'s Submission Agreement signed:	September 26, 1996

Respondent Dale F. Jackson's  
Submission Agreement signed:

October 21, 1996

### **HEARING INFORMATION**

Pre-Hearing Conference Dates / Sessions:

March 4, 1997 (1 Session)  
April 29, 1997 (1 Session)  
August 29, 1997 (1 Session)  
September 12, 1997 (1 Session)  
January 29, 1998 (1 Session)

Hearing Dates / Sessions:

September 29, 1997 (2 Sessions)  
July 27, 1998 (2 Sessions)  
July 28, 1998 (2 Sessions)  
July 29, 1998 (2 Sessions)  
July 30, 1998 (2 Sessions)  
July 31, 1998 (2 Sessions)  
August 3, 1998 (2 Sessions)  
August 4, 1998 (2 Sessions)

Hearing Location:

Los Angeles, California

### **CASE SUMMARY**

Claimants alleged that Respondents were negligent, breached their contract with Claimants, sold Claimants unsuitable investments, engaged in fraud, and breached their fiduciary duty owed to Claimants.

Respondents denied each and every allegation of wrongdoing set forth in the Claimant's Statement of Claim.

### **RELIEF REQUESTED**

Claimants requested \$392,194.64 in compensatory damages or rescission of investments, plus interest, costs and fees, and exemplary damages.

Respondents requested that the Arbitration Panel deny the Claimant's claim in its entirety and award costs and fees to Respondents.

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

The parties agreed that the Award in this matter may be executed either in counterpart copies or that a handwritten, signed Award may be entered. In either case, the parties 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) Claimant's claim for damages resulting from their investment in the IDM PIC 90 Limited Partnership is denied.
- 2) Respondent Titan Value Equities is liable to and shall pay Claimants the sum of \$39,272.00 as compensatory damages resulting from Claimants' investment in Alert Income Partners IV, Ltd. Interest on the foregoing sum shall accrue at the rate of 10% per annum from the date of the award until paid.
- 3) Respondents Titan Value Equities and Dale Jackson are jointly and severally liable to and shall pay Claimants the sum of \$50,887.00 as compensatory damages resulting from Claimants' investment in Ridgewood Energy 1990 II Drilling and Completion Limited Partnership (hereinafter "Ridgewood").
- 4) Payment of the damages associated with Claimants' investment in Ridgewood is contingent upon Claimants transferring all of their right, title and interest in Ridgewood to Titan Value Equities and Dale Jackson, jointly. Interest on the damages awarded to Claimants on account of Ridgewood shall accrue at the rate of 10% per annum from the date Claimants transfer their interest in Ridgewood to Titan Value Equities and Dale Jackson or deposit that interest in escrow for Respondent's benefit.
- 5) Respondent is liable to and shall pay Claimant the sum of \$200.00 for reimbursement of the filing fee paid by Claimant.
- 6) All other claims are denied.
- 7) Claimant's claim for exemplary damages is denied.
- 8) Except as noted above, each side shall bear its own costs, including attorney's fees.
- 9) Claimant is liable to and shall pay to Respondents the sum of \$250 in sanctions arising out of the aborted September 1997 hearing.

### **FORUM FEES**

Pursuant to Rule 10332(c) of the Code of Arbitration Procedure, the following forum fees are assessed against the Respondents jointly and severally.

Four Full-Panel Pre-Hearing Conference Sessions @ \$750.00 / Session	= \$3,000.00
One Single Panelist Pre-Hearing Conference Session @ \$300.00 / Session	= \$300.00
Fourteen Hearing Sessions @ \$750.00 / Session	= \$10,500.00
<hr/> Total Fees Assessed Against Respondents jointly and severally	<hr/> = \$13,800.00

Claimants' Hearing Session Deposit shall be refunded by NASD Regulation, Inc.

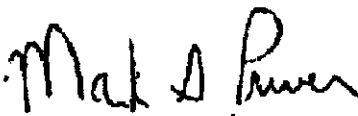
Fees are payable to NASD Regulation, Inc.

### **OTHER FEES**

Pursuant to Rule 10333 of the Code, Respondent Titan/Value Equities Group, Inc. has paid to NASD Regulation, Inc. the \$350.00 member surcharge previously invoiced.

**ARBITRATORS**

<u>NAME</u>	<u>Public / Industry</u>
Mark S. Priver, Esq.	Public Arbitrator
James A. Sigler, Esq.	Industry Arbitrator
Terry A. O'Connell	Public Arbitrator

**Concurring Arbitrators' Signatures**Mark S. Priver, Esq.James A. Sigler, Esq.Terry A. O'ConnellDate of Service: Sept. 21, 1998

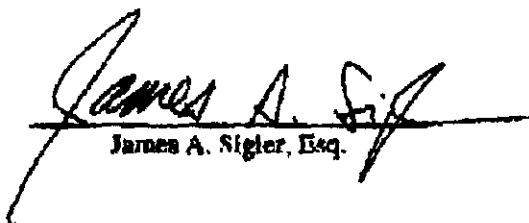
**ARBITRATORS**

<u>Name</u>	<u>Public / Industry</u>
Mark S. Priver, Esq.	Public Arbitrator
James A. Sigler, Esq.	Industry Arbitrator
Terry A. O'Connell	Public Arbitrator

**Concurring Arbitrators' Signatures**

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Mark S. Priver, Esq.



James A. Sigler, Esq.

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Terry A. O'Connell

Date of Service: September 21, 1998

**ARBITRATORS**

<u>Name</u>	<u>Public / Industry</u>
Mark S. Priver, Esq.	Public Arbitrator
James A. Sigler, Esq.	Industry Arbitrator
Terry A. O'Connell	Public Arbitrator

**Consenting Arbitrators' Signatures**

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Mark S. Priver, Esq.

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James A. Sigler, Esq.

  
Terry A. O'Connell

Date of Service: Oct 21, 1998