

AWARD

NASD REGULATION, INC., OFFICE OF DISPUTE RESOLUTION

In the matter of the Arbitration Between

Name of Claimant(s)

Liana X. Ye
William Lloyd Davis

Arbitration
No. 96-04619

Name of Respondent(s)

LaCroix Alexander Financial Corporation
GPS Consulting Corporation

REPRESENTATION

For Claimants: Liana X. Ye, Belmont, California

For Respondents: Richard W. Smirl, Esq., Keesal, Young & Logan,
Long Beach, California

CASE INFORMATION

Statement of Claim filed: October 17, 1996

Claimants' Submission Agreement signed: October 9, 1996

Joint Statement of Answer filed by Respondents: December 13, 1996

Respondents' Submission Agreements signed as follows:

GPS Consulting Corporation: December 11, 1996

LaCroix Alexander Financial Corporation: December 9, 1996

HEARING INFORMATION

Pre-Hearing Conference Date(s)/Session(s):

May 20, 1997 (one session)

June 13, 1997 (one session)

Hearing Date(s)/Session(s):

July 21, 1997 (two sessions)

July 22, 1997 (one session)

Hearing Location:

San Francisco, California

CASE SUMMARY

Claimants alleged fraud and misrepresentations with respect to their Beckham Joint Venture (Joint Venture) investment.

Respondents denied Claimants' allegations of wrongdoing and denied any liability to Claimants. Respondents alleged that no misconduct on their part has occurred in connection with the sponsorship and management of the Joint Venture. Respondents further alleged that they made no misrepresentations to Claimants in connection with their Joint Venture investment; and that the losses, if any, from Claimants' Joint Venture investment resulted from causes beyond Respondents' control.

RELIEF REQUESTED

Claimants requested rescission of the original investment in the amount of \$19,500.00 plus interest and requested punitive damages.

Respondents requested dismissal of Claimants' claims.

OTHER ISSUES CONSIDERED AND DECIDED

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 originals remain on file with NASD Regulation, Inc. (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. Respondent GPS Consulting Corporation is solely liable for and shall rescind Claimants' final Beckham Joint Venture investment and return to Claimants the sum of \$4,500.00.
2. Claimants' claims for punitive damages are denied.
3. The parties shall each bear their respective costs including attorney's fees.

FORUM FEES

Pursuant to Section 10332(c) of the Code of Arbitration Procedure, the following forum fees are assessed: The NASDR shall refund Claimants' hearing session deposit in the amount of \$400.00. Forum fees are assessed against Respondent GPS Consulting Corporation in the amount of \$1,600.00, and are calculated as follows: One pre-hearing session times \$400.00, plus one pre-hearing session times \$300.00, plus three hearing sessions times \$400.00, minus a credit amount of \$300.00 paid by Respondents.

Fees are payable to NASD Regulation, Inc.

ARBITRATORS

<u>Name</u>	<u>Public / Industry</u>
Bruce T. Mitchell, Esq.	Public Arbitrator
William L. Blaine, Esq.	Public Arbitrator
Frank Weaver, Esq.	Industry Arbitrator

Concurring Arbitrators' Signatures



Bruce T. Mitchell, Esq.

William L. Blaine, Esq.

Frank Weaver, Esq.

Date of Decision: July 22, 1997

Date served: 7/30/1997

Concurring Arbitrators' Signatures

Bruce T. Mitchell, Esq.

William L. Blaine

William L. Blaine, Esq.

Frank Weaver, Esq.

Date of Decision: 7-22-97

Date served: 7/30/1997

Concurring Arbitrators' Signatures

Bruce T. Mitchell, Esq.

William L. Blaine, Esq.

Frank Weaver, Esq.

Date of Decision: _____

Date served: 7/30/1997