

9/11/08

AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS REGULATION, INC.

In the Matter of the Arbitration Between

Name of Claimant

Raymond M. Allard

96-05810

Names of Respondents

**Euro-Atlantic Securities, Inc.
Robert Hines**

REPRESENTATION

For Claimant: Julie E. Fox, Esq. of Ackerman Link & Sartory, West Palm Beach, Florida.

Respondent Euro-Atlantic Securities, Inc. ("Euro-Atlantic") did not appear (see "Other Issues").

Respondent Robert Hines ("Hines") did not appear (see "Other Issues").

CASE INFORMATION

Statement of Claim filed: December 24, 1996.

Claimant's Submission Agreement signed: December 17, 1996.

Respondents Euro-Atlantic and Hines did not file Statements of Answer nor did they file executed Submission Agreements.

HEARING INFORMATION

On June 17, 1997 the arbitration panel conducted a telephonic pre-hearing conference which lasted one (1) session.

On October 23, 1997 a hearing lasting one (1) session was conducted in Fort Lauderdale, Florida.

CASE SUMMARY

Claimant alleged that Respondent Hines was the registered representative who handled his account at Respondent Euro-Atlantic; that in May 1996 Hines made an unauthorized purchase in Claimant's account of 30,000.00 shares of Gaylord Container Corp. ("Gaylord Container"); that this purchase was made in direct disregard of Claimant's instructions not to purchase Gaylord Container; that upon learning of the unauthorized trade, Claimant contacted Euro-Atlantic and demanded that the Gaylord Container trade be canceled; that although Euro-Atlantic agreed to cancel the trade, instead, Euro-Atlantic sold the shares of Gaylord Container causing substantial losses to Claimant.

RELIEF REQUESTED

Claimant requested compensatory damages of 72,901.00, punitive damages, attorneys fees of \$5,409.50, costs in the amount of \$340.70, filing fees plus post-judgment interest at the legal rate of 10% per annum.

OTHER ISSUES CONSIDERED & DECIDED

1. Pursuant to Rule 10101 of the Code of Arbitration procedure ("Code"), the arbitration panel found subject matter jurisdiction over this entire controversy.
2. Respondents Euro-Atlantic and Hines did not attend the hearing nor did they file executed Submission Agreements. The arbitration panel found that the Respondent Euro-Atlantic was a member of NASD Regulation, Inc. and that Respondent Hines was a person associated with an NASD member firm at the time the controversy arose. Consequently, the arbitration panel found personal jurisdiction over Respondents Euro-Atlantic and Hines pursuant to Rule 10301 of the Code.
3. In view of the above, the arbitration panel found that Respondents Euro-Atlantic and Hines were required to file with NASD Regulation, Inc., Statements of Answer and properly executed Submission Agreements pursuant to Rule 10314(b) of the Code. In this regard the arbitration panel found that the Statement of Claim was properly served upon the Respondents Euro-Atlantic and Hines pursuant to Rule 10314(a) of the Code.
4. In addition, in accordance with Rules 10310, 10315 and 10318 of the Code, the arbitration panel found that NASD Regulation, Inc. provided Respondents Euro-Atlantic and Hines with "due notice" of the hearing conducted in this matter by regular and certified mail. The arbitration panel, therefore, determined to proceed with the hearing without Respondents Euro-Atlantic and Hines present.
5. The parties at the hearing 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 NASD Regulation, Inc.

AWARD

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

1. Respondents Euro-Atlantic and Hines are found liable, jointly and severally, and shall pay to the Claimant the sum of \$72,901.00 plus post-judgment interest at the legal rate of 10% per annum from the date of the Award to the date of payment of the Award.
2. Respondents Euro Atlantic and Hines are found liable, jointly and severally, and shall pay to the Claimant the further amount of \$5,409.50 representing attorney's fees pursuant to Section 517.211, Florida Statutes.

3. Respondents Euro-Atlantic and Hines are found liable, jointly and severally, and shall pay to the Claimant the further amount of \$5,000.00 for punitive damages as a result of the panel's finding that the behavior of the Respondents was egregious.
4. Respondents Euro-Atlantic and Hines are found liable, jointly and severally, and shall pay to the Claimant the further amount of \$340.70 for costs.
5. Respondents Euro-Atlantic and Hines are found further liable, jointly and severally, and shall pay to the Claimant the sum of \$650.00 representing reimbursement of the claim filing fee of \$150.00 and the hearing session deposit of \$500.00 previously paid by the Claimant.

FORUM FEES

Pursuant to rule 10332(c) of the Code, the arbitrators have assessed Forum Fees in the amount of \$1,000.00 (One Initial Pre-Hearing Conference (with the panel) x \$500.00 + one hearing session x \$500.00).

1. Respondents Euro-Atlantic and Hines are hereby assessed forum fees, jointly and severally, in the amount of \$1,000.00 for which NASD Regulation, Inc. shall retain the \$500.00 previously deposited by the Claimant in partial satisfaction thereof leaving a balance due to NASD Regulation, Inc. of \$500.00.

2. NASD Regulation, Inc. shall retain the claim filing fee of \$150.00 paid by the Claimant.

3. Respondent Euro-Atlantic shall pay to NASD Regulation, Inc. the member surcharge of \$300.00 pursuant to Rule 10333 of the Code.

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

ARBITRATION PANEL

Concurring Arbitrators' Signatures


James B. May, Esq.

Public/Chairperson


Camille Besold

Public/Panelist


Carl J. Hegner

Industry/Panelist

Date of Decision:

11-18-97