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DEC 07 1998

AWARD

NASD Regulation, Inc.

In the Matter of the Arbitration Between

Name of Claimant

Estate of Stephen J. Daniels

and

97-06021

Name of Respondent

J.C. Bradford & Co.  
William Gibson

REPRESENTATION OF PARTIES

Estate of Stephen J. Daniels ("**Claimant**") was represented by Michael H. Gertner, Esq., Gertner & Gertner, Columbus, Ohio and Bruce W. Powell, Esq., Columbus, Ohio.

J.C. Bradford & Co. ("**Respondent Bradford**") and William Gibson ("**Respondent Gibson**") were represented by Linda G. Willis, Esq., J.C. Bradford & Company, Nashville, Tennessee.

CASE INFORMATION

The Statement of Claim was filed on or about December 29, 1997. Submission Agreement of Claimant Stephen J. Daniels was signed on December 15, 1997. The Estate of Stephen J. Daniels was substituted for Stephen J. Daniels on or about March 27, 1998.

Statement of Answer was filed by Respondents J.C. Bradford & Co. and William Gibson on or about March 16, 1998. Submission Agreement of Respondent J.C. Bradford & Co. was signed on March 11, 1998 by Linda Willis. Submission Agreement of Respondent William Gibson was signed on March 16, 1998.

HEARING INFORMATION

The hearing was held on October 27, 1998 for two (2) sessions and October 28, 1998 for two (2) sessions in Columbus, Ohio for a total of four (4) sessions.

CASE SUMMARY

Claimant alleged the following causes of action:

1. Negligently or deliberately recommending inappropriate investment strategies.
2. Failing to minimally secure income or market performance.
3. Churning the account and generating unnecessary commission income.
4. Deliberately inflating commissions earned.

Respondents, J.C. Bradford & Co. and William Gibson denied all claims, requested that Claimant, Estate of Stephen J. Daniels' claims be dismissed, that an award be rendered in favor of Respondents and that Claimant be required to pay all costs and expenses associated with this action.

### **RELIEF REQUESTED**

Claimant, Estate of Stephen J. Daniels alleged actual losses due to lack of investment return through income and market appreciation in the amount of \$200,000.00 and actual losses due to inappropriately generated commissions in the amount of \$90,000. Claimant also requests \$250,000 in punitive damages.

Respondents, J.C. Bradford & Co. and William Gibson requested a dismissal of all claims and an award in their favor assessing all costs associated with this matter against Claimant, Estate of Stephen J. Daniels.

### **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 original(s) remain on file with the NASD Regulation, Inc. Office of Dispute Resolution (the "NASD").

### **AWARD**

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

1. Respondents J.C. Bradford & Co. and William Gibson shall be and hereby are jointly and severally liable for and shall pay to the Claimant The Estate of Stephen J. Daniels the sum of \$20,000.00 (**Twenty Thousand Dollars**) as compensatory damages. the sum awarded herein represents excessive commissions paid to Respondents.
2. All remaining claims for relief shall be and hereby are denied in their entirety, including but not limited to the requests for interest, costs, and fees.

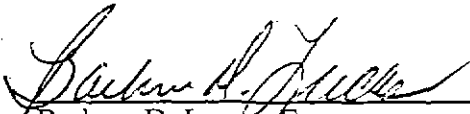
3. Each party shall bear its own costs, expenses and fees, including but not limited to attorneys' fees, incurred in this matter not specifically enumerated herein.

### **FORUM FEES**

Forum fees are calculated at the rate of \$1,000.00 per hearing session and \$300 for each pre-hearing conference, if any. There were four (4) sessions x \$1,000.00 = \$4,000.00 in forum fees. Pursuant to Rule 10332(b) of the NASD Code of Arbitration Procedure (the "Code"), a hearing session is any meeting between the parties and the arbitrator(s), including a pre-hearing conference with an arbitrator, which lasts four (4) hours or less.

Pursuant to Rule 10332(c) of the Code, the NASD shall **retain** the non-refundable filing fee in the amount of \$250.00 and shall **retain** as forum fees the hearing session deposit in the amount of \$1,000.00 previously deposited with the NASD by the Claimant Estate of Stephen J. Daniels. Claimant Estate of Stephen J. Daniels shall be and hereby is liable for and shall pay to the NASD the sum of \$1,000.00 as additional forum fees. Respondent J.C. Bradford & Co. shall be and hereby is liable for and shall pay to the NASD the sum of \$1,000.00 as forum fees. Respondent William Gibson shall be and hereby is liable for and shall pay to the NASD the sum of \$1,000.00 as the balance due for forum fees.

Pursuant to Rule 10333 of the Code, Respondent J.C. Bradford & Co. has paid to the NASD the member surcharge in the amount of \$2,000.00 previously invoiced. **Fees are payable to the NASD Regulation, Inc. Office of Dispute Resolution.**

  
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Barbara D. Lucas, Esq.  
Public Arbitrator, Presiding Chair

Dated:

  
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12-2-98

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Gordon M. Stewart  
Public Arbitrator

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John B. Glueckert  
Industry Arbitrator

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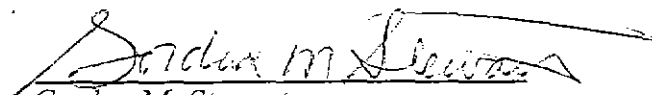
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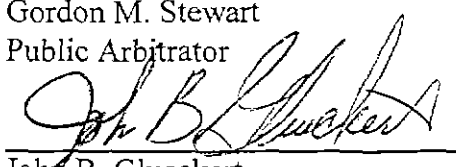
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