

**Award**  
**NASD Regulation, Inc.**

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In the Matter of the Arbitration Between:

Robin Michele Rushing, Claimant v. La Jolla Capital Corporation (aka Pacific Cortez Securities) and Harold Bailey "BJ" Gallison Jr., Respondents

Case Number: 99-02016

Hearing Site: San Diego, California

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**REPRESENTATION OF PARTIES**

For Claimant:

Robin Michele Rushing  
In Pro Per  
Spokane, Washington

**CASE INFORMATION**

Statement of Claim filed: April 29, 1999

Claimant's Uniform Submission Agreement signed: April 29, 1999

**CASE SUMMARY**

Claimant alleged that Respondents owed her commissions and that she was indemnified against any costs, legal fees or any other expenses that could occur as a result of her position at La Jolla Capital Corporation.

Respondents did not file an answer.

**RELIEF REQUESTED**

Claimant requested \$73,000.00 in compensatory damages.

**OTHER ISSUES CONSIDERED AND DECIDED**

Upon review of the file and the representations made by/on behalf of the Claimant, the undersigned arbitrators (the Panel) determined that Respondent Harold Bailey "BJ" Gallison, Jr. was properly served with the Statement of Claim and received due notice of the hearing, and that arbitration of the matter would proceed without said Respondent present, in accordance with the NASD Code of Arbitration Procedure (the "Code").

Respondent Harold Bailey "BJ" Gallison, Jr. did not file with the NASD Regulation, Inc. Office of Dispute Resolution a properly executed submission agreement to arbitrate but is required to submit to arbitration pursuant to the Code and is bound by the determination of the Panel on all issues submitted.

A court order dated May 27, 1999 appointed Dennis B. Schmucher as Receiver over Pacific Cortez and stayed arbitration proceedings against Pacific Cortez.

Parties appearing at the hearing on the merits agreed that the Award in this matter may be executed in counterpart copies or that a handwritten, signed Award may be entered.

**AWARD**

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

1. Respondent Howard Bailey "BJ" Gallison, Jr. is liable to and shall pay Claimant the sum of \$65,000.00 in compensatory damages.
2. Respondent Howard Bailey "BJ" Gallison, Jr. Is liable to and shall pay Claimant interest on the sum of \$55,000.00 at the rate of 10% per annum from March 15, 1997 until the award is paid in full.
3. Respondent Howard Bailey "BJ" Gallison, Jr. Is liable to and shall pay Claimant interest on the sum of \$10,000.00 at the rate of 10% per annum from July 14, 1997 until the award is paid in full.
4. The parties shall each bear their respective costs, including attorney's fees.
5. All relief not granted is expressly denied.

### **FEES**

Pursuant to the Code, the following fees are assessed:

#### **Filing Fees**

NASD Regulation, Inc. waived the non-refundable filing fee for the Claimant's claim as follows:

Initial claim filing fee (**waived**) = \$ 225.00

#### **Member Fees**

Due to the Court Order dated May 27, 1999 regarding Pacific Cortez, no member fees were assessed in this matter.

#### **Forum Fees and Assessments**

The Panel assessed a forum fee for each pre-hearing conference or hearing session conducted. A pre-hearing conference or hearing session is any meeting between the parties and the Panel. The following fees are assessed:

(1) Pre-hearing conference session with the Panel @ \$ 750.00/Session = \$ 750.00  
Pre-hearing conference: April 27, 2000 1 Session

(1) Hearing session @ \$ 750.00/Session = \$ 750.00  
Hearing: June 8, 2000 1 Session

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**Total Forum Fees = \$ 1,500.00**

1. The Arbitration Panel has assessed \$ 1,500.00 of the forum fees to Claimant Robin Michelle Rushing.

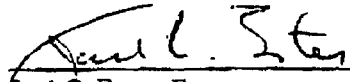
### **Fee Summary**

1. Claimant, Robin Michelle Rushing, is charged with the following fees and costs:

Initial Filing Fee ( <b>waived</b> )	= \$ .00
<u>Forum Fees</u>	= \$ 1,500.00
<u>Total Fees</u>	= \$ 1,500.00
<b>Balance Due NASD Regulation, Inc.</b>	<b>= \$ 1,500.00</b>

All balances are payable to NASD Regulation, Inc. and are due within 30 days of the award's date of service.

**Concurring Arbitrators' Signatures**

  
Joel C. Estes, Esq.  
Chair, Public Arbitrator

6/29/00  
Signature Date

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William L. Erwin  
Non-Public Arbitrator

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Signature Date

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Robert John Wagener  
Public Arbitrator


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Signature Date

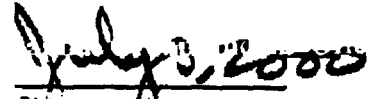
July 3, 2000  
Date of Service

Concurring Arbitrators' Signatures

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Joel C. Estes, Esq.  
Chair, Public Arbitrator

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Signature Date

  
\_\_\_\_\_  
William L. Erwin  
Non-Public Arbitrator

  
\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Robert John Wagener  
Public Arbitrator

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Signature Date

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Concurring Arbitrators' Signatures

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Joel C. Estes, Esq.  
Chair, Public Arbitrator

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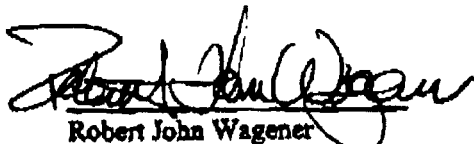
Signature Date

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William L. Erwin  
Non-Public Arbitrator

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Signature Date



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Robert John Wagener  
Public Arbitrator

06/29/00

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Signature Date

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Date of Service