

Award
NASD Dispute Resolution, Inc.

In the Matter of the Arbitration Between:

Beth Hanenburg, Joann Murray, Robert Fromme, and Mark Tedesco, Claimants v. Cohig & Associates, Inc., Lawrence J. Vink, and Troy M. Peters, Respondents

Case Number: 99-04650

Hearing Site: San Diego, California

REPRESENTATION OF PARTIES

For Claimants:

John G. Caparell, Esq.
Law Offices of John
Caparell
San Diego, California

For Respondent Cohig & Associates, Inc.:

Luis A. Toro, Esq.
Senn Lewis & Visciano
Denver, Colorado

For Respondent Lawrence J. Vink:

Suzanne M. Lachelier, Esq.
Federal Defenders of San
Diego, Inc.
San Diego, California

For Respondent Troy Peters:

Troy Peters
In Pro Per
San Diego, California

CASE INFORMATION

Statement of Claim filed: September 8, 1999

Amended Statement of Claim filed: April 18, 2000

Claimants' Request to Bar Respondent, Troy Peters, from Presenting any Matter, Arguments, or Defenses at the Arbitration Hearing: May 4, 2000

Claimants' Request to Bar Respondent, Troy Peters, from Presenting any Matter, Arguments, or Defenses at the Arbitration Hearing: March 30, 2001

Claimants' Reply to Respondent Troy Peters' Opposition to Bar Respondent, Troy Peters, from Presenting any Matter, Arguments, or Defenses at the Arbitration Hearing: April 5, 2001

Claimant Beth Hanenburg's Uniform Submission Agreement signed: November 12, 1999

Claimant Joann Murray and Mark Tedesca's Uniform Submission Agreement signed: November 3, 1999

Claimant Robert Fromme's Uniform Submission Agreement signed: November 15, 2001

Statement of Answer filed by Respondent Cohig & Associates, Inc.: January 17, 2000

Statement of Answer filed by Cohig & Associates, Inc. to Claimant's Amended Statement of Claim: June 2, 2000

Respondent Cohig & Associates, Inc.'s Uniform Submission Agreement signed: January 18, 2000

Statement of Answer filed by Respondent Troy Peters to Claimant's Amended Statement of Claim: May 6, 2000

Response to Claimants' Request to Bar Respondent, Troy Peters, from Presenting any Matter, Arguments, or Defenses at the Arbitration Hearing filed by Respondent Troy Peters: May 6, 2000

Response to Claimants' Request to Bar Respondent, Troy Peters, from Presenting any Matter, Arguments, or Defenses at the Arbitration Hearing filed by Respondent Troy Peters: April 2, 2001

Reply to Claimants' Reply to Respondent Troy Peters' Opposition to Claimants' Request to Bar Respondent, Troy Peters, from Presenting any Matter, Arguments, or Defenses at the Arbitration Hearing filed by Respondent Troy Peters: April 9, 2001

Respondent Troy Peters' Uniform Submission Agreement signed: March 30, 2000

CASE SUMMARY

In their Amended Statement of Claim, Claimants alleged suitability, breach of fiduciary duty, failure to supervise, respondeat superior, vicarious liability, selling away, aiding and abetting, breach of contract, common law fraud, intentional misrepresentation, negligent misrepresentation, and federal securities fraud.

Respondents Cohig & Associates, Inc. and Troy Peters denied the allegations of wrongdoing set forth in the Claimants' Statement of Claim.

Respondent Lawrence J. Vink did not file a Statement of Answer.

RELIEF REQUESTED

In their Amended Statement of Claim, Claimants requested \$144,950.00 in compensatory damages, \$14,950.00 in lost opportunity damages, and \$100,000.00 in punitive damages. Claimants also requested recovery of commissions, interest, and sought reimbursement for attorney's fees and arbitration costs.

Respondent Cohig & Associates, Inc. requested dismissal of the Claimants' Statements of Claim in their entirety, and sought reimbursement for attorney's fees and arbitration costs.

OTHER ISSUES CONSIDERED AND DECIDED

On June 12, 2001, the Arbitration Panel granted Claimants' Request to Bar Respondent, Troy Peters, from Presenting any Matter, Arguments, or Defenses at the Arbitration Hearing.

Respondent Lawrence J. Vink did not file with the NASD Dispute Resolution, Inc. a properly executed submission agreement but is required to submit to arbitration pursuant to the Code and is bound by the determination of the Panel on all issues submitted.

The parties 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) Respondents Cohig & Associates, Inc., Lawrence J. Vink, and Troy Peters are jointly and severally liable to and shall pay Claimant Beth Hanenburg \$44,543.00 in compensatory damages.
- 2) Respondents Cohig & Associates, Inc., Lawrence J. Vink, and Troy Peters are jointly and severally liable to and shall pay Claimant Robert Fromme \$65,943.00 in compensatory damages.
- 3) Claimant Joann Murray's claims are denied in their entirety.

- 4) Claimant Mark Tedesco's claims are denied in their entirety.
- 5) Claimants' request for punitive damages is denied.
- 6) The parties shall bear their respective costs, including attorney's fees.
- 7) All other relief requested and not expressly granted is denied.

FEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

NASD Dispute Resolution, Inc. received or will collect the non-refundable filing fees for each claim as follows:

Initial claim filing fee	= \$ 300.00
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Member Fees

Member fees are assessed to each member firm that is either a party in the matter or an employer of a respondent associated person at the time of the events which gave rise to the dispute, claim, or controversy. Accordingly, the member firm Cohig & Associates, Inc. is a party and the following fees are assessed:

Member Surcharge	= \$ 1,500.00
Pre-Hearing Process Fee	= \$ 600.00
<u>Hearing Process Fee</u>	<u>= \$ 2,500.00</u>
Total Member Fees	= \$ 4,600.00

Forum Fees and Assessments

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

2 Pre-hearing conference sessions with a single arbitrator @ \$ 450.00/session	= \$ 900.00
Pre-hearing conferences: May 4, 2001	1 session
June 20, 2001	1 session
1 Pre-hearing conference session with the Panel @ \$ 1,125.00/session	= \$ 1,125.00
Pre-hearing conference: November 8, 2000	1 session

16 Hearing sessions @ \$ 1,125.00/session = \$18,000.00

Hearings:

July 16, 2001	2 sessions
July 17, 2001	2 sessions
July 18, 2001	2 sessions
July 19, 2001	2 sessions
July 20, 2001	2 sessions
August 29, 2001	2 sessions
August 30, 2001	2 sessions
August 31, 2001	2 sessions

Total Forum Fees = \$ 20,025.00

1. The Panel assessed \$ 10,012.50 of the forum fees jointly and severally to Claimants Beth Hanenburg, Joann Murray, Robert Fromme, and Mark Tedesco.
2. The Panel assessed \$ 10,012.50 of the forum fees jointly and severally to Respondents Cohig & Associates, Inc., Lawrence J. Vink, and Troy Peters.

Administrative Costs

Administrative costs are expenses incurred because a party requested additional services beyond the normal administrative services. These additional services include, but are not limited to, additional copies of arbitrator awards, copies of audio transcripts, retrieval of documents from archives, interpreters, security, and sundry other requests.

Respondent Lawrence J. Vink, requested audio tapes
4 tapes @ \$15.00/tape: = \$ 60.00

Fee Summary

1. Claimants Beth Hanenburg, Joann Murray, Robert Fromme, and Mark Tedesco are charged jointly and severally with the following fees and costs:

Initial Filing Fee	= \$ 300.00
Forum Fees	= \$ 10,012.50
Total Fees	= \$ 10,312.50
Less payments	= \$ (1,425.00)
Balance Due NASD Dispute Resolution, Inc.	= \$ 8,887.50
2. Respondent Cohig & Associates, Inc. is charged with the following fees and costs:

Member Fees	= \$ 4,600.00
Less payments	= \$(4,600.00)
Balance Due NASD Dispute Resolution, Inc.	= \$ 0.00

3. Respondents Cohig & Associates, Inc., Lawrence J. Vink, and Troy Peters are charged jointly and severally with the following fees and costs:

<u>Forum Fees</u>	= \$ 10,012.50
Balance Due NASD Dispute Resolution, Inc.	= \$ 10,012.50

4. Respondent Lawrence J. Vink is charged with the following fees and costs:

Administrative cost	= \$ 60.00
<u>Less Payment</u>	= \$ (60.00)
Balance Due NASD Dispute Resolution, Inc.	= \$ 0.00

All balances are payable to NASD Dispute Resolution, Inc. and are due upon the receipt of the Award pursuant to Rule 10330(g) of the Code.

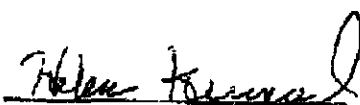
ARBITRATION PANEL

Christine Lonzello, Esq.	-	Public Arbitrator, Presiding Chair
Helen W. Kinnaird	-	Public Arbitrator
Alfred E. Monahan	-	Non-Public Arbitrator

Concurring Arbitrators' Signatures

Christine Lonzello, Esq.
Chair, Public Arbitrator

Signature Date



Helen W. Kinnaird
Public Arbitrator

9-19-2001

Signature Date

Alfred E. Monahan
Non-Public Arbitrator

Signature Date

9/19/01

Date of Service

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Christine Lonzello, Esq.	-	Public Arbitrator, Presiding Chair
Helen W. Kinnaird	-	Public Arbitrator
Alfred E. Monahan	-	Non-Public Arbitrator

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Christine Lonzello, Esq.
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Signature Date

Helen W. Kinnaird
Public Arbitrator

Signature Date

Alfred E. Monahan

Alfred E. Monahan
Non-Public Arbitrator

18 SEPTEMBER 2001

Signature Date

9/19/01

Date of Service