

Award
NASD Dispute Resolution, Inc.

In the Matter of the Arbitration Between

Names of Claimants

Ruth G. Stape Trust
Ruth G. Stape

Case No. 99-05256

Names of Respondents

Jack T. Gurr
Richard B. Crouse
G.A. Repple & Company
GVC Financial, Inc.

REPRESENTATION OF PARTIES

For Ruth G. Stape Trust and Ruth G. Stape, hereinafter collectively referred to as "Claimants":
Neal J. Blaher, Esq., Orlando, FL.

For Respondents Jack T. Gurr ("Gurr"), Richard B. Crouse ("Crouse"), G.A. Repple & Company ("Repple"), and GVC Financial, Inc.: Robert Persante, Esq. of Albinson Persante & McCormack, P.A., Clearwater, FL.

CASE INFORMATION

Statement of Claim filed on or about: November 22, 1999.
Amendment to Statement of Claim filed on or about: March 30, 2000.
Claimants signed the Uniform Submission Agreement: November 15, 1999.
Respondents Gurr, Crouse, and Repple's Answer to Statement of Claim and Answer to Amendment to Statement of Claim filed on or about: April 10, 2000.
Respondent Gurr signed the Uniform Submission Agreement: January 26, 2000.
Respondent Crouse signed the Uniform Submission Agreement: January 26, 2000.
Respondent Repple signed the Uniform Submission Agreement: January 25, 2000.
Respondent GVC Financial, Inc. did not file an executed Uniform Submission Agreement (see "Other Issues").
Respondent GVC Financial, Inc. did not file a Statement of Answer (see "Other Issues").

CASE SUMMARY

Claimants alleged the following: Respondents recommended highly risky, highly speculative

limited partnerships totalling \$90,000.00 and automobile loan notes totalling \$57,000.00 between September of 1992 and December of 1995. These limited partnerships and automobile loan notes included CNL Income Fund XI, XIII and XIV, Cronus Global Income Fund XIV and XV, AEI Income & Growth Fund XXI, G&W Financial Premium Notes, Auto Credit Finance Notes and Keller Financial Services of North Florida Notes. Respondents were aware of the highly risky, highly speculative nature of the investments they were recommending and that the investments posed a very serious risk of a total loss of the customers' investment. Respondents induced Claimants' purchases through material misrepresentations and omissions which were motivated by the substantially higher commissions and other forms of compensation that these speculative investments generated. As a result of Respondents' breaches of their fiduciary and other duties, Claimant sustained damages while Respondents received over \$12,000.00 in commissions.

Unless specifically admitted in their Answer, Respondents Gurr, Crouse, and Repple denied the allegations made in the Statement of Claim and alleged the following: Claimants sought selective rescission of certain investments which had underperformed their projections. Claimants were fully aware of the risks attendant to said investments, admitted that the broker had discussed the risks at length with Ruth G. Stape and were unable to identify any fraud, misrepresentation or negligence. The overall portfolio, even with the alleged losses, outperformed Claimants' expectations. The relief sought by Claimants is unavailable and is barred by applicable statutes of limitations.

RELIEF REQUESTED

Claimants requested compensatory damages of approximately \$70,000.00, lost investment opportunity return of approximately \$80,000.00, statutory and pre-judgment interest, costs, rescission of the purchases of the securities still held by Claimants, punitive damages, and such other relief as the arbitrators deemed appropriate.

Respondents requested dismissal of the Statement of Claim.

OTHER ISSUES CONSIDERED AND DECIDED

Respondent GVC Financial, Inc. is not a member firm of the NASD and did not voluntarily submit to the jurisdiction of the NASD. Accordingly, the Panel did not make any determination with respect to Claimants' claims against Respondent GVC Financial, Inc.

During the evidentiary hearing, Claimants withdrew their claim for damages with respect to the G&W Financial Premium Note which Claimants purchased on June 22, 1993.

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.

AWARD

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

Respondents G.A. Repple & Co. and Richard B. Crouse are liable, jointly and severally, and shall pay to the Claimants compensatory damages in the sum of \$34,617.00.

All claims against Respondent Gurr are dismissed, with prejudice.

Claimants requests for statutory and pre-judgment interest, rescission of the purchases of the securities still held by Claimants, and punitive damages are denied.

All other relief requests not specifically addressed herein are denied.

FEEES

Pursuant to the Code, the following fees are assessed:

Filing Fees

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

Initial claim filing fee	= \$ 225.00
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Member Fees

Member fees are assessed to each member firm that is a party in these proceedings or to the member firm(s) that employed the associated person(s) at the time of the event(s) giving rise to the dispute. In this matter, the member firm, G.A. Repple & Co., is a party.

Member surcharge	= \$1,000.00
Pre-hearing process fee	= \$ 600.00
Hearing process fee	= \$1,500.00

Forum Fees and Assessments

The Panel assesses forum fees for each hearing session conducted. A hearing session is any meeting between the parties and the arbitrator(s), including a pre-hearing conference with the arbitrator(s), that lasts four (4) hours or less. Fees associated with these proceedings are:

One (1) Pre-hearing session with a single arbitrator x \$450.00	= \$ 450.00
Pre-hearing conference: August 29, 2000 1 session	
One (1) Pre-hearing session with Panel x \$750.00	= \$ 750.00
Pre-hearing conference: May 19, 2000 1 session	
Six (6) Hearing sessions x \$750.00	= <u>\$4,500.00</u>

All balances are payable to NASD Dispute Resolution, Inc. and are due immediately upon receipt of the Award by the parties.

Concurring Arbitrators' Signatures

/s/

Mimi B. Osiason
Public Arbitrator, Presiding Chair

Signature Date

/s/

Thomas Fotopulos
Public Arbitrator

Signature Date

/s/

John A. Bevier
Industry Arbitrator

Signature Date

December 14, 2000

Date of Service (For NASD-DR office use only)

Concurring Arbitrators' Signatures

Mimi B. Osinson

Mimi B. Osinson
Public Arbitrator, Presiding Chair

12/12/2000

Signature Date

Thomas Fotopulos
Public Arbitrator

Signature Date

John A. Bevier
Industry Arbitrator

Signature Date

Date of Service (For NASD-DR office use only)

Concurring Arbitrators' Signatures

Mimi B. Oslason
Public Arbitrator, Presiding Chair

Signature Date



Thomas Fotopoulos
Public Arbitrator

12/11/2000

Signature Date

John A. Bevier
Industry Arbitrator

Signature Date

Date of Service (For NASD-DR office use only)

1018-78101

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Concurring Arbitrators' Signatures

Mimi B. Ostason
Public Arbitrator, Presiding Chair

Signature Date

Thomas Fotopulos
Public Arbitrator

Signature Date



John A. Bevier
Industry Arbitrator



Signature Date

Date of Service (For NASD-DR office use only)