

**Award**  
**FINRA Dispute Resolution**

---

In the Matter of the Arbitration Between:

Claimant  
Teresa Wiles

Case Number: 13-02409

vs.

Respondent  
Questar Capital Corporation

Hearing Site: Louisville, Kentucky

---

Nature of the Dispute: Customer vs. Member

This case was decided by an all-public panel.

**REPRESENTATION OF PARTIES**

For Claimant Teresa Wiles (“Claimant”): Bruce D. Oakes, Esq., Oakes & Fosher, LLC, St. Louis, Missouri.

For Respondent Questar Capital Corporation (“Respondent”): Jeffrey D. Hedlund, Esq., Faegre Baker Daniels LLP, Minneapolis, Minnesota.

**CASE INFORMATION**

Statement of Claim filed on or about: August 14, 2013.  
Teresa Wiles signed the Submission Agreement: August 12, 2013.

Statement of Answer filed on or about: November 13, 2013.  
Respondent signed the Submission Agreement: October 1, 2013.

**CASE SUMMARY**

Claimant asserted the following causes of action: breach of fiduciary duty; violation of Kentucky’s Securities Act, KRS Chapter 292 et al.; common law fraud; breach of contract; negligence, negligent misrepresentation, and omissions; restitution; and negligent supervision. The causes of action related to Claimant’s investment in a private placement in the Behringer Harvard REIT, which Claimant asserted was unsuitable for her investment goals.

Unless specifically admitted in its Answer, Respondent denied the allegations made in the Statement of Claim and asserted various affirmative defenses.

### **RELIEF REQUESTED**

In the Statement of Claim, Claimant requested:

Compensatory Damages	\$150,000.00
Punitive Damages	Unspecified
Interest	Unspecified
Attorneys' Fees	Unspecified
Other Costs	Unspecified
Other Monetary Relief	Unspecified

At the close of the hearing, Claimant requested:

Compensatory Damages	\$128,907.00
Punitive Damages	Unspecified
Attorneys' Fees	\$ 47,250.00
Other Costs	\$ 14,142.29

In its Statement of Answer, Respondent requested that Claimant's Statement of Claim be dismissed and that it be awarded its costs, attorneys' fees, and other appropriate relief.

### **OTHER ISSUES CONSIDERED AND DECIDED**

The Arbitrators acknowledge that they have each read the pleadings and other materials filed by the parties.

The Panel determined, at the hearing, that Respondent's expert witness was not an expert as to non-traded REITS.

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

1. Questar Capital Corporation is liable for and shall pay to Teresa Wiles the sum of \$120,391.00 in compensatory damages;
2. Questar Capital Corporation is liable for and shall pay to Teresa Wiles the sum of \$14,142.29 in costs; and
3. Any and all relief not specifically addressed herein, including punitive damages and attorneys' fees, is denied.

## **FEES**

Pursuant to the Code, the following fees are assessed:

### **Filing Fees**

FINRA Dispute Resolution assessed a filing fee\* for each claim:

Initial Claim Filing Fee	=\$ 1,425.00
--------------------------	--------------

*\*The filing fee is made up of a non-refundable and a refundable portion.*

### **Member Fees**

Member fees are assessed to each member firm that is a party in these proceedings or to the member firm that employed the associated person at the time of the events giving rise to the dispute. Accordingly, as a party, Questar Capital Corporation is assessed the following:

Member Surcharge	=\$ 1,700.00
Pre-Hearing Processing Fee	=\$ 750.00
Hearing Processing Fee	=\$ 2,750.00

### **Discovery-Related Motion Fees**

Fees apply for each decision rendered on a discovery-related motion.

Two (2) Decisions on discovery-related motions on the papers with one (1) arbitrator @ \$200.00	=\$ 400.00
Respondent submitted two (2) discovery-related motions	
<hr/> Total Discovery-Related Motion Fees	<hr/> =\$ 400.00

The Panel has assessed \$400.00 of the discovery-related motion fees to Questar Capital Corporation.

### **Hearing Session Fees and Assessments**

The Panel has assessed hearing session fees for each session conducted. A 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:

Seven (7) Hearing sessions @ \$1,125.00/session	=\$ 7,875.00
Hearing Dates:	
February 23, 2016 2 sessions	
February 24, 2016 3 sessions	
February 25, 2016 2 sessions	
<hr/> Total Hearing Session Fees	<hr/> =\$ 7,875.00

The Panel has assessed \$7,875.00 of the hearing session fees to Questar Capital Corporation.

All balances are payable to FINRA Dispute Resolution and are due upon receipt.

**ARBITRATION PANEL**

Stuart D. Summers	-	Public Arbitrator, Presiding Chairperson
Bill Swinford, Jr.	-	Public Arbitrator
Michael E. Martin	-	Public Arbitrator

I, the undersigned Arbitrator, do hereby affirm that I am the individual described herein and who executed this instrument, which is my award.

**Concurring Arbitrators' Signatures**

/s/ Stuart D. Summers  
Stuart D. Summers  
Public Arbitrator, Presiding Chairperson

02/29/16  
Signature Date

/s/ Bill Swinford, Jr.  
Bill Swinford, Jr.  
Public Arbitrator

02/29/16  
Signature Date

/s/ Michael E. Martin  
Michael E. Martin  
Public Arbitrator

02/29/16  
Signature Date

03/01/16  
Date of Service (For FINRA Dispute Resolution office use only)

**ARBITRATION PANEL**

Stuart D. Summers	-	Public Arbitrator, Presiding Chairperson
Bill Swinford, Jr.	-	Public Arbitrator
Michael E. Martin	-	Public Arbitrator

I, the undersigned Arbitrator, do hereby affirm that I am the individual described herein and who executed this instrument, which is my award.

**Concurring Arbitrators' Signatures**

*Stuart D. Summers*

\_\_\_\_\_  
Stuart D. Summers  
Public Arbitrator, Presiding Chairperson

*2-29-2016*

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

\_\_\_\_\_  
Bill Swinford, Jr.  
Public Arbitrator

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

\_\_\_\_\_  
Michael E. Martin  
Public Arbitrator

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

\_\_\_\_\_  
Date of Service (For FINRA Dispute Resolution office use only)

**ARBITRATION PANEL**

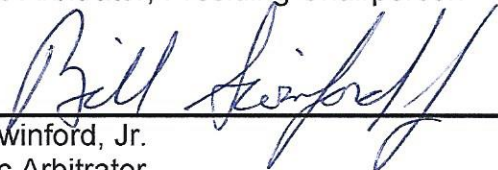
Stuart D. Summers	-	Public Arbitrator, Presiding Chairperson
Bill Swinford, Jr.	-	Public Arbitrator
Michael E. Martin	-	Public Arbitrator

I, the undersigned Arbitrator, do hereby affirm that I am the individual described herein and who executed this instrument, which is my award.

**Concurring Arbitrators' Signatures**

\_\_\_\_\_  
Stuart D. Summers  
Public Arbitrator, Presiding Chairperson

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

  
\_\_\_\_\_  
Bill Swinford, Jr.  
Public Arbitrator

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

\_\_\_\_\_  
Michael E. Martin  
Public Arbitrator

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

\_\_\_\_\_  
Date of Service (For FINRA Dispute Resolution office use only)

**ARBITRATION PANEL**

Stuart D. Summers	-	Public Arbitrator, Presiding Chairperson
Bill Swinford, Jr.	-	Public Arbitrator
Michael E. Martin	-	Public Arbitrator

I, the undersigned Arbitrator, do hereby affirm that I am the individual described herein and who executed this instrument, which is my award.

**Concurring Arbitrators' Signatures**

\_\_\_\_\_  
Stuart D. Summers  
Public Arbitrator, Presiding Chairperson

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

\_\_\_\_\_  
Bill Swinford, Jr.  
Public Arbitrator

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

  
\_\_\_\_\_  
Michael E. Martin  
Public Arbitrator

2/29/2016  
\_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Date of Service (For FINRA Dispute Resolution office use only)