

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In The Matter of Arbitration Among

Ronald and Ann K. Marsh

Claimants

vs.

Shearson Lehman Brothers, Inc.,
Raymond Clements and Richard Hadaya

Respondents

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: Case #87-00321
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Case Summary

In the Statement of Claim filed with the NASD on March 11, 1987, Claimants, Ronald and Ann K. Marsh, alleged that respondents' incompetently and negligently entered the Claimants into investment transactions that were unsuitable for them, for the fraudulent purpose of generating commissions, and that they violated a fiduciary duty owed to the Claimants. Respondents maintain that the Claimants were fully informed of the risks involved in the transactions and that all of the trades were executed with the Claimants knowledge and approval. Respondents also raised affirmative defenses.

Relief Requested


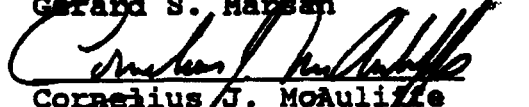
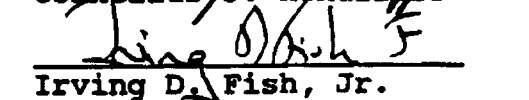
Claimants, Ronald and Ann K. Marsh, requested damages of \$423,402.00, which sum constitutes the damages caused the Claimants tripled or, that in the alternative, the Claimants be placed in the position in which they would presently be had 1000 of the 1130 shares of AT&T not been sold, plus the sum of \$25,134.00, representing dividends. Respondents requested dismissal of the claim.

Award

On May 24, 1989 and June 16, 1989 said days representing 4 hearing sessions the undersigned arbitrators heard the controversies at the NASD offices in Boston, MA between the parties set forth in submissions to the arbitrators signed by the Claimants, Ronald and Ann K. Marsh on February 25, 1987, and by Respondent Richard Hadaya on April 13, 1987 and by Respondent, Shearson Lehman Brothers, Inc., on May 13, 1987 and by Respondent, Raymond Clements on May 24, 1989. The arbitration panel, having considered the pleadings, all motions, and the evidence presented at the hearing, has determined in full and final resolution of the issues submitted for determination as follows:

1. The Respondent, Shearson Lehman Brothers, Inc., and Respondent, Richard Hadaya be and hereby are liable jointly and severally and shall pay to the Claimants, Ronald and Ann K. Marsh the sum of Twenty One Thousand Nine Hundred Ninety Eight Dollars and Ninety Three cents (\$21,998.93).
2. The parties shall each bear their respective costs including attorneys' fees.
3. Pursuant to Section 43 of the Code of Arbitration Procedure, the National Association of Securities Dealers, Inc., shall retain the \$750.00 filing fee previously deposited by the Claimants, Ronald & Ann K. Marsh. The Respondent, Shearson Lehman Brothers, Inc., and Respondent, Richard Hadaya be and hereby are liable jointly and severally and shall pay to the Claimants the sum of \$750.00 to offset the filing fee paid by the Claimants. In addition, the Respondent, Shearson Lehman Brothers, Inc. and Respondent, Richard Hadaya be and hereby are liable jointly and severally and shall pay to the National Association of Securities Dealers, Inc., the sum of Seven Hundred Fifty Dollars and No Cents (\$750.00) to represent forum fees.

ARBITRATORS CONCURRING


Gerard S. Marsan

Cornelius J. McAuliffe

Irving D. Fish, Jr.

DATED: July 12th, 1989