

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between )

Evelyn & Kenneth Dougherty )  
Claimants )

vs. )

Kennedy Cabot & Company )  
Securities Settlement Corporation )  
Putnam Financial Services, Inc. )  
State Street Bank & Trust Company )  
Respondents )

AWARD

NASD #88-01015

REPRESENTATION

Claimants were represented at hearing ~~only~~ by Seth Isaacs. Respondents, Kennedy Cabot and Securities Settlement were represented by George Kupper, Esq., of Kennedy Cabot & Company.

SUMMARY OF ISSUES

Claimants alleged failure by Kennedy Cabot & Company to pay in a timely manner to Putnam funds designated for the purchase of Putnam shares. Claimants further alleged failure by Kennedy Cabot to account properly for the status of their investments. Claimants also alleged account errors and failure to provide a prospectus in a timely manner.

DAMAGES AND RELIEF REQUESTED

Claimants requested damages, as amended at hearing, of \$9,721.00, interest in the amount of \$12,309.14, expenses incurred of \$10,446, return of the NASD filing fee, and punitive damages of \$25,000.

Respondents requested dismissal of all claims.

DAMAGES AND RELIEF AWARDED

This claim was filed with the NASD on March 30, 1988. On May 7 & 8, 1991, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed by Claimants on May 4, 1990, by an authorized representative of Kennedy Cabot and Securities Settlement on October 19, 1990. The hearing was conducted in Los Angeles, California and lasted three (3) sessions. The arbitration panel,

having considered the pleadings, the testimony, and the evidence presented at the hearing, has determined in full and final resolution of the issues submitted as follows:

1. All claims asserted against Respondent Securities Settlement Corporation are dismissed.
2. Respondent Kennedy Cabot & Company is liable for and shall pay to Claimants the sum of \$20,863.00 inclusive of interest.
3. The claims for expenses and punitive damages are dismissed.
4. The parties shall each bear their respective costs including attorneys' fees.
5. In accordance with Section 43 of the NASD Code of Arbitration Procedure, the NASD shall refund the \$500.00 filing fee previously deposited by the Claimant. Kennedy Cabot & Company is assessed forum fees of \$1,500.00, payable to the NASD.


#### OTHER ISSUES

State Street Bank and Trust is not a member of the NASD, did not submit voluntarily to the jurisdiction of the NASD, and was removed as a Respondent in this action.

Respondent Putnam Financial Services reached a settlement with Claimants, and was released from this action prior to hearing.

#### ARBITRATORS CONCURRING

DATE SERVED: 06/07/91

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Corrine Whitaker