



N.A.S.D. AWARD

Arbitration

National Association of  
Securities Dealers, Inc.  
NASD Financial Center  
33 Whitehall Street  
New York, New York 10004

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Russ L. Shannon

vs

Name of Respondent

Eugene Jewett

Case #  
88-01475  
AWARD

CASE SUMMARY

This claim was filed with the National Association of Securities Dealers, Inc. on May 6, 1988. The hearing was conducted in Richmond, Virginia, on October 23, 1990, and consisted of two hearing sessions.

Claimant, Russ L. Shannon, alleges that Eugene Jewett, a registered representative with Moseley Securities Corp.:

1. Recommended for (a) Claimant's personal account and (b) Claimant's IRA account a number of securities which were of poor quality and which lost all or substantially all their value;

2. In response to Claimant's request to place the equity received from the sale of his home in secure investments, recommended Dominion Federal Savings & Loan, but failed to provide him with information regarding a \$129 million lawsuit which was pending against Dominion Federal Savings & Loan, and that Dominion thereafter lost much of its value when it lost such suit.

Respondent denies liability. He maintains that the lawsuit against Dominion was disclosed to the Claimant, that he met his fiduciary obligations, and that most of the securities purchased by the Claimant were unsolicited and/or were suitable investments.

RELIEF REQUESTED

Claimant requests that the panel award him \$75,000.00. Respondent requests that the panel dismiss the claim in its entirety.

AWARD

On October 23, 1990, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitrations signed by the Claimant on April 18, 1988 and by the Respondent on April 11, 1990. 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 for determination as follows:

1. Respondent, Gene Jewett, is hereby liable shall pay the Claimant Six Thousand Nine Hundred and One Dollars and Twelve Cents (\$6,901.12) for two stock purchases made in Claimant's IRA account, 3,000 shares of Cordatum, Inc. and 2,500 shares of Top Brass Enterprises, Inc.;
2. No interest is awarded on the above sum;
3. The parties shall each bear their respective costs, including attorneys' fees;
4. Forum fees are assessed for two hearing sessions as indicated below;
5. Pursuant to Section 43 of the Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. shall retain the \$500.00 filing fee previously deposited by the Claimant. A portion of that deposit shall be applied to the non-refundable fee of \$150.00 and the remaining \$350.00 shall be applied to the forum fees;
6. Respondent is assessed forum fees for two hearing sessions which amounts to a total of \$1,000.00. Said fees shall be satisfied upon payment to the NASD, Inc. through its staff counsel of \$650.00 and the remaining \$350.00 to the Claimant in accordance with section 43 of the Code of Arbitration Procedure.

ARBITRATOR SIGNATURE

*James F. Tucker*  
James F. Tucker

11/14/90

Dated by the NASD: December 7, 1990

AWARD

On October 23, 1990, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitrations signed by the Claimant on April 18, 1988 and by the Respondent on April 11, 1990. 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 for determination as follows:

1. Respondent, Gene Jewett, is hereby liable shall pay the Claimant Six Thousand Nine Hundred and One Dollars and Twelve Cents (\$6,901.12) for two stock purchases made in Claimant's IRA account, 3,000 shares of Cordatum, Inc. and 2,500 shares of Top Brass Enterprises, Inc.;
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ARBITRATOR SIGNATURE

  
Mary Ann Hornel Owen

Dated by the NASD: December 7, 1990

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2. No interest is awarded on the above sum;

3. The parties shall each bear their respective costs, including attorneys' fees;

4. Forum fees are assessed for two hearing sessions as indicated below;

5. Pursuant to Section 43 of the Code of Arbitration Procedure, the National Association of Securities Dealers, Inc., shall retain the \$500.00 filing fee previously deposited by the Claimant. A portion of that deposit shall be applied to the non-refundable fee of \$150.00 and the remaining \$350.00 shall be applied to the forum fees; and

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ARBITRATOR SIGNATURE

  
William R. Waddell

Dated by the NASD: December 7, 1990