

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between

Carolyn Nash and
Lorrie Leiker

Claimants

vs.

Shearman Lehman Hutton, Inc
Mark Anthony DeMenno
Municicorp of California

Respondents

CASE NO. 88-02335

SUMMARY OF ISSUES

This case was filed on July 2, 1988. Claimants allege that they purchased a mutual fund through Respondents that was represented to them as being a secure, virtually risk free investment.

Respondents contend that Claimants were fully informed as to the nature of the investments, were provided with timely, detailed prospectuses concerning them, therefore were fully aware of the nature of the possible risks involved.

DAMAGES AND RELIEF REQUESTED

Claimants seek to recover lost principal in the amount of \$12,000.00 plus interest and costs.

Respondents seek dismissal of the claim in its entirety, costs, and attorneys' fees.

DAMAGES AND RELIEF AWARDED

On September 1, 1989 in San Francisco, the undersigned arbitrators heard the controversy in two (2) sessions between the parties as set forth in submissions to arbitration signed by Claimants Carolyn Nash on June 29, 1988 and Lorrie Leiker on October 12, 1988 and by Respondents Mark Anthony DeMenno on January 13, 1989, Shearson Lehman Hutton, Inc. January 18, 1989 and Municicorp of California on January 19, 1989. 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. Each and every claim of Claimants Carolyn Nash and Lorrie Leiker is dismissed.

2. Respondent, Municicorp of California is assessed and shall pay to the NASD \$400.00 in forum fees.

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

4. Pursuant to Section 43 of the National Association of Securities Dealers, Inc. ("NASD") Code of Arbitration Procedure, the NASD shall retain the \$400.00 filing fee previously deposited by the Claimant.

OTHER ISSUES

ARBITRATORS CONCURRING

DATE SERVED: 09/27/89



David H. Brazil