

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

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In the Matter of the Arbitration Between

Zofia Sierpinski

Claimant

vs.

Ladenberg, Thalmann & Co., Inc.

Respondent

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)  
) Case #88-02988  
) Award  
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)  
)

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CASE SUMMARY

Claimant alleges that, upon Respondent's recommendation, she invested an inordinately large percentage of her portfolio in the shares of Capitol Bankcorporation and that this was not a conservative investment nor was it in keeping with her stated investment objectives. Respondent maintains that all investments recommended by it to Claimant were within the investment criteria established by Claimant and were suitable for her in light of all the circumstances including Claimant's financial background and experience. Respondent further maintains that, at the time of Claimant's investment therein, Capitol Bankcorporation was a sound operating company which paid substantial dividends and which had a good growth record.

RELIEF REQUESTED

Claimant requests the return to her of the full amount of her investment in Capitol Bankcorporation. Respondent requests dismissal of the entire claim together with its attorneys fees and costs.

AWARD

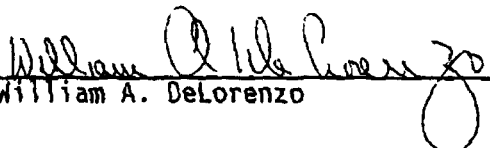
On June 16, 1989, the undersigned arbitrators heard the controversy in New York, New York between the parties as set forth in submissions to arbitration signed by Claimant Zofia Sierpinski on September 20, 1988, and by Respondent Ladenberg, Thalmann & Co., Inc. on November 22, 1988. The initial claim was filed on September 23, 1988. 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:

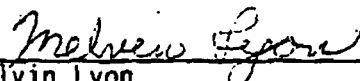
1. The Respondent is hereby liable and shall pay to the Claimant the sum of Five Hundred Dollars and Twenty Cents (\$500.20) no interest to be awarded.
2. The parties shall each bear their respective costs including attorneys' fees.


Dated: July 5, 1989

3. Pursuant to Section 43 of the Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. shall retain the \$200.00 filing fee previously deposited by the Claimant as costs for the one hearing session conducted in this matter.

ARBITRATORS CONCURRING

  
William A. DeLorenzo

  
Melvin Lyon

  
Jack Friedman