

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between

Meyer Weisman and
Jeanne Wiesman

Claimants

vs.

C.L. McKinney & Company, Inc., and
Jack Halperin

Respondents

CASE NO. 88-03141

SUMMARY OF ISSUES

Claimants filed this claim with the NASD on October 12, 1988 and alleged that losses were incurred as a result of Respondent's negligence, breach of fiduciary duty, breach of contract, and abandonment. Specifically, Claimants alleged that Respondents negligently handled the transfer of funds from Claimants bank account, and abandoned Claimants in assisting with the transfer; failed to adequately describe the income and stability of the recommended investment in a mutual fund; misrepresented the transferability in the Putnam Family of Funds; and failed to switch Claimant into another fund when instructed to do so.

Respondents denied the allegations and maintained that the delay in the transfer of bank account funds was caused by Claimants bank rather than due to any negligence by Respondents; that the recommended investments were fully discussed with Claimants prior to purchase, including the transferability in the Family of Funds; and that Claimants were provided with a prospectus on each of the recommended mutual funds which detailed the risks associated with the investment. Additionally, Respondents denied that Claimants even placed an order to switch from one fund to another.

DAMAGES AND RELIEF REQUESTED

Claimants requested damages, as amended at the hearing in the amount of \$17,633.65 calculated as follows: Loss of net asset value, \$7,633.65; loss of investment opportunity at a rate of 12%, \$9,000.00; and excessive commission charges, \$1,000.00.

Respondents requested dismissal of the claim and attorneys' fees.

DAMAGES AND RELIEF AWARDED

On September 19, 1989 the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed by Claimants on September 12, 1988 and by Respondents on December 9, 1988. This hearing was held in Beverly Hills, California and lasted two hearings 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 for determination as follows:

1. All claims are dismissed.
2. The parties shall each bear their respective costs including attorneys' fees.
3. 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

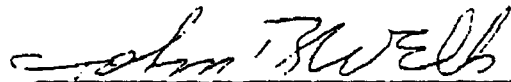
The parties stipulated to the execution and service of this award in counterpart copies.

ARBITRATORS CONCURRING

DATE SERVED: 10/17/89

Delores I. Smith

Ian L. Sitren


John B. Wells