

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between	:	
	:	
	:	
Dorothy C. Bates	:	AWARD
	:	
Claimant	:	#88-03584
vs.	:	
	:	
	:	
PaineWebber, Inc.	:	
	:	
Respondent	:	
	:	

Case Summary

This proceeding was commenced by the Claimant Dorothy C. Bates against the Respondent PaineWebber, Inc. arising from certain transactions in the Claimant's account during the period of 1985 to 1987. Ms. Bates alleged that the Respondent PaineWebber, Inc. through its broker Scott Deacher recommended the purchase of an investment which was unsuitable for the her account. Specifically, Claimant asserts that the broker recommended the liquidation of her investment in American Capital Government Securities, Inc., and the subsequent purchase of Decatur II Series Fund, an investment unsuitable for her account.

Respondent PaineWebber, Inc. denies the allegations of the Claimant. Respondent contends that Claimant was knowledgeable of the transactions in the account and assumed the risks inherent in the purchase of the fund.

Relief Requested

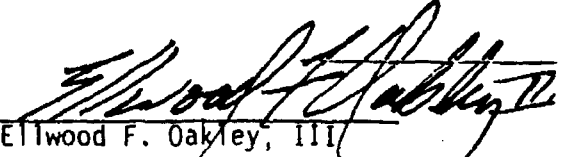
Claimant requests damages in excess of \$25,494.13, plus interest, costs and attorney fees. Respondent requests a dismissal of the claim in its entirety.

Award

On September 13, 1989, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed by Claimant Dorothy C. Bates on November 3, 1988 and by Respondent PaineWebber, Inc. on January 27, 1989. The initial claim was filed on November 17, 1988. The arbitrators, 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 PaineWebber, Inc. shall be liable and shall pay to Claimant Dorothy C. Bates the sum of Eleven Thousand Five Hundred Dollars and No Cents (\$11,500.00).
2. The parties shall each bear their respective costs including attorney fees.
3. Pursuant to Section 43 of the Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. shall refund the \$400.00 filing fee previously deposited by the Claimant and assess the Respondent \$800.00 in costs of the two (2) hearing sessions conducted in this matter.

This day October 2nd, 1989


Ellwood F. Oakley, III


Russell P. Shomler


Anne H. Watkins