

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between

Mayco L.A. Federal Credit Union      Claimant

vs.

Barbara A. Mark      Respondent

AWARD

CASE NO. 88-03605

Heard Before the Members of the Arbitration Panel:

Frank R. Smith  
Michael Strieby  
David N. Mahler

SUMMARY OF ISSUES

This case was filed with the National Association of Securities Dealers, Inc. ("NASD") on November 18, 1988. Claimant alleged Respondent purchased shares of Putnam High Income Government Trust and Equitec Siebel U.S. Government Securities Fund, and that these mutual funds were inappropriate and were not approved for investment by a federal credit union. Claimant also alleged that Respondent failed to liquidate these investments in a timely manner when instructed to do so by both Claimant's manager and the National Credit Union Association's examiner.

Respondent denied any improper or dilatory actions. Respondent asserted that Claimant initiated the mutual fund investments, assuring her that the Board of Directors of the credit union desired to obtain a higher rate of return than was then generated by their investments in certificates of deposit. Respondent asserted that the liquidation request was processed in as timely a manner as permitted by Claimant's failure to deliver the necessary paperwork promptly.

DAMAGES AND RELIEF REQUESTED

Claimant requested damages of \$24,498.96 on the Putnam Trust and \$2,936.51 on the Equitec Siebel fund.

Respondent requested dismissal of all claims.

### DAMAGES AND RELIEF AWARDED

On March 8, 1990, in Los Angeles, California, the arbitrators heard the controversy in two sessions between the parties as set forth in submissions to arbitration signed by Claimant on November 11, 1988, and by Respondent on February 17, 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. All claims brought by Claimant are dismissed.
2. The parties shall each bear their respective costs including attorneys' fees.
3. In accordance with Section 43 of the NASD Code of Arbitration Procedure, the NASD shall retain the \$400.00 filing fee previously deposited by Claimant as an assessment of forum fees by the arbitrators.

DATE SERVED: 03/20/90