

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

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In the Matter of the Arbitration Between

Name of Claimant(s)

G. Beverly Hilborn

89-00997

Name of Respondent(s)

Rotan Mosle Inc.  
Richard P. Canselmo, Jr.  
James P. Jackson

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CASE SUMMARY

G. Beverly Hilborn ("Claimant") alleged that Richard Canselmo and James P. Jackson, registered representatives of Rotan Mosle, Inc. (Rotan Mosle, Richard Canselmo, and James P. Jackson are collectively referred to herein as "Respondents") traded options in the Claimant's account which were unsuitable for the Claimant and breached their fiduciary duties to the Claimant.

The Respondent denied the claim and further alleged that the Claimant and her accountant were fully aware of the type of trading done in the Claimant's account, that the Respondents had fully disclosed the risks inherent in the type of option trading engaged in, and the Claimant assumed and was able to bear the risk of trading options.

RELIEF REQUESTED

The Claimant in her Statement of Claim requested actual damages in the amount of \$130,000, plus attorneys' fees, costs, treble damages and pre and post award interest.

The Respondents requested that all the Claimant's claims be dismissed.

AWARD

On August 22, 1990 and October 10, 1990 in Houston, Texas during a hearing lasting a total of five (5) sessions, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed on April 5, 1989 by Claimant G. Beverly Hilborn, on August 22, 1990 by Robert E. Durham on behalf of Respondent Rotan Mosle, Inc. and on August 22, 1990 by Respondents James Jackson and Richard Peter Canselmo, Jr..

The arbitration panel, having considered the pleadings, the testimony, and the evidence presented at the hearing, has decided in full and final resolution of the issues submitted for determination as follows:

1. All claims asserted by the Claimant against the Respondents are hereby dismissed;

2. The parties shall bear their own costs including attorneys' fees; *Amel*

3. Pursuant to Section 43(c) of the Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. shall refund the hearing session deposit in the amount of \$750.00 previously deposited with the NASD by the Claimant and Rotan Mosle, Inc. shall pay to the NASD \$3,750.00 as forum fees.

By the Panel

Dated: 10-10-90

/S/ Alan R. Crain, Jr., Esq.

Dated: 10-10-90

/S/ Thomas W. Taylor

Dated: 10-10-90

/S/ Patrick Lanier, Esq.