

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

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IN THE MATTER OF THE ARBITRATION BETWEEN	:	
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Grace D. Morton	:	Case #89-01287
	:	
CLAIMANT	:	AWARD
	:	
vs.	:	
	:	
	:	
	:	
Harold F. Reichenthal Financial Advisors	:	
	:	
RESPONDENT	:	
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CASE SUMMARY

Claimant Grace D. Morton alleged that the Respondent Harold F. Reichenthal Financial Advisors, acting through Harold F. Reichenthal, misled and misinformed her with respect to her investment in the Massachusetts Financial Services Government Securities High Yield Trust ("MFS"). Specifically, the Claimant alleged she told the Respondent her main objective was to preserve her capital and that the Respondent then recommended MFS stating this was a safe investment but failed to indicate that there was risk of a decline in capital. Claimant also alleged the Respondent failed to inform her that her investment was declining.

Respondent contended that the MFS trust was suitable for the Claimant at the time of her initial investment because of the low degree of risk that is inherent in the market fluctuation of the trust. Further, the Respondent contended he always acted properly, and that the Claimant authorized the purchase of the investment with full knowledge of the risks involved.

RELIEF REQUESTED

Claimant Morton requested actual damages of \$3500.00. Respondent Reichenthal requested the dismissal of all claims made against it.

AWARD

On April 25, 1990, the undersigned arbitrator heard the controversy between the parties as set forth in submissions to arbitration signed by Claimant Grace D. Morton on April 4, 1989, and by Respondent Harold F. Reichenthal Financial Advisors, Inc. on June 26, 1989. The hearing was conducted at the law offices of Leslie F. Couch, Esq. in Albany, New York and consisted of one (1) hearing session. The arbitrator, 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 Harold F. Reichenthal Financial Advisors, Inc. be and hereby is liable and shall pay to the Claimant Grace D. Morton One Thousand Seven Hundred Eighty Five Dollars and No Cents (\$1,785.00), inclusive of interest.
2. The parties shall each bear their respective costs including attorney's fees.
3. Pursuant to Section 43 of the Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. shall retain the \$25.00 filing fee previously deposited by the Claimant as costs of the one (1) hearing session conducted in this matter.

CONCURRING ARBITRATOR

  
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Leslie F. Couch

DATED: May 21st, 1990