

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between

John Langford  
Athlyn Langford

Claimants

vs.

Shearson Lehman Hutton, Inc.  
J. Evan MacWhirter

Respondents

CASE #89-01783  
AWARD

CASE SUMMARY

Claimants, John and Athlyn Langford, allege they informed J. Evan MacWhirter, the registered representative with the Respondent Brokerage firm, that they wanted a safe investment vehicle that would provide them with more income than a bank C.D. without risk to their principal. Claimants also allege that based upon the Respondents' representation that the principal would be secure, they invested in U.S. Government Securities and watched the value of their account decline. Claimants further allege that on October 12, 1987 they directed Respondents to liquidate all of Claimants' HIS Government Securities accounts and transfer same to a money market fund and Respondent liquidated only two of said HIS Government Securities accounts on October 19, 1987 causing Claimants to sustain a loss. Claimants also contend that they placed an order to sell one of the aforesaid accounts on August 4, 1988 and Respondent did not execute the order until August 10, 1988 causing Claimants to sustain an additional loss.

Respondents deny the allegations of misrepresentation. Respondents contend that any losses sustained by the Claimants were sustained as a result of the fact that the investment was a "rear load" mutual fund and the fact that Claimants received monthly distributions from 1986 through 1988

RELIEF REQUESTED

Claimants request that the arbitration panel award them \$8,000.00. Respondents request a dismissal of the claim and that they be awarded attorneys' fees and expenses incurred in defending this proceeding.

AWARD

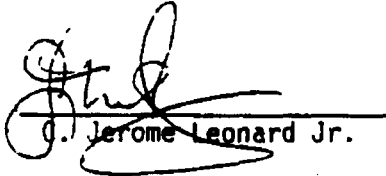
On March 12, 1990, the undersigned arbitrator heard the controversy between the parties as set forth in submissions to arbitration signed by Claimants on August 14, 1989 and by Respondents, Shearson Lehman Hutton, Inc. and J. Evan MacWhirter on October 27, 1989 and November 8, 1989, respectively. The hearing was conducted in Charlotte, N.C. and consisted of one 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 issued submitted for determination as follows:

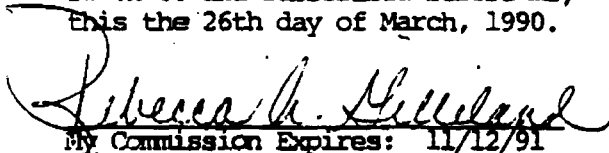
1. All claims asserted by the Claimants are hereby dismissed in their entirety.
2. The parties shall each bear their respective costs including attorneys' fees.
3. Pursuant to Section 43 of the Code of arbitration Procedure, the National Association of Securities Dealers, Inc. shall retain the \$200.00 filing fee previously deposited by the Claimant.

CONCURRING ARBITRATOR

Dated: March 28, 1990

  
O. Jerome Leonard Jr.

Sworn to and subscribed before me,  
this the 26th day of March, 1990.

  
My Commission Expires: 11/12/91