

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between  
DAPHNE K. VIEROW  
Claimant  
and  
PIPER, JAFFRAY & HOPWOOD, INC. AND  
LYNN SANEM  
Respondents

CASE NO. 89-03378

CASE SUMMARY

Daphne K. Vierow ("Claimant") alleged that Lynn Sanem, a registered representative of Piper, Jaffray & Hopwood, Inc. (Sanem and Piper are collectively referred to herein as "Respondent") recommended the purchase of a junk bond, McLean Industries Inc., which was unsuitable for the Claimant in light of her financial objectives, situation and sophistication.

Respondents denied the claim and further alleged that the McLean purchase was consistent with the Claimants objectives of income, growth, and speculation. Further, the Respondent alleged that the Claimant's claim is barred by the doctrines of assumption of the risk, contributory negligence, failure to mitigate, estoppel, laches, and waiver.

RELIEF REQUESTED

Claimant requested damages in the amount of \$8,277.50 plus interest and costs. Respondents requested the claim of the Claimant be dismissed.

AWARD

On December 1, 1989 the NASD received the Claimants' claim. On May 14, 1990 in Minneapolis, Minnesota during a hearing lasting one (1) session, the undersigned arbitrator heard the controversy between the parties as set forth in submissions to arbitration signed on November 9, 1989 by Claimant on December 27, 1989 by ~~Andrea Benson~~ on behalf of Respondent Piper Jaffray & Hopwood, Inc., and on January 11, 1990 by Respondent Lynn Sanem.

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. The Statement of Claim shall be and hereby is dismissed in its entirety;
2. Each party shall bear its own costs and expenses incurred in this matter not specifically enumerated herein; and
3. Pursuant to Section 43<sup>c</sup>(d) of the Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. shall retain as forum fees, the \$200.00 filing fee previously deposited with the NASD by the Claimant.

Presiding Arbitrator

Dated: 21 May 1990 /S/

Richard A. Mosman, Esq.

Date Served: 6-6-90