

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between

Rhea Gavry

(formerly Rhea Gavry  
Douglas)

Claimant

vs.

Shearson Lehman Hutton, Inc.

William Moseley

Respondents

AWARD

CASE NO. 90-00542

SUMMARY OF ISSUES

Claimant alleged Respondents misrepresented the nature of certain investment vehicles, misrepresented the comparability of a Hutton-sponsored government securities mutual fund with GNMA bonds, misrepresented the yield of the mutual fund, and improperly processed withdrawals from the account without first obtaining the required court order.

Respondents denied Claimant's allegations and asserted that Claimant was fully advised of all characteristics of the investments prior to investing. Respondents also asserted that obtaining a court order prior to account withdrawals was the responsibility and duty of Claimant alone.

DAMAGES AND RELIEF REQUESTED

Claimant requested damages in the amount of \$6,982.54 plus interest and costs of arbitration. The claim for punitive damages was withdrawn at hearing.

Respondents requested dismissal of all claims and an award of costs of arbitration, and attorney's fees.

DAMAGES AND RELIEF AWARDED

This claim was filed with the NASD on February 22, 1990. On September 7, 1990, the undersigned arbitrator heard the controversy between the parties as set forth in submissions to arbitration signed by Claimant on February 20, 1990, by Shearson's authorized representative on April 12, 1990, and by William Moseley on April 13, 1990. The hearing was conducted in Salt Lake City, Utah, and lasted one (1) session. 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 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 the Claimant.

DATE SERVED: 10/23/90