

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

---

In the Matter of the Arbitration Between

Name of Claimant(s)

Ellen Jane Drenel and  
William E. Drenel, Trustees  
for the Robert E. Drenel 1973 Trust

vs.

90-01401

Name of Respondent(s)

Shearson Lehman Hutton, Inc.  
Ronald D. Sutherland

---

REPRESENTATION

For Claimants: Stuart D. Tochner, Esq., Nebenzahl and Kohn, Beverly Hills, California.

For Respondents: Dawn Stilwell Theodora, Esq., Keesal, Young & Logan, Long Beach, California.

CASE INFORMATION

Statement of Claim filed: May 17, 1990

Claimants' Submission Agreement signed: May 8, 1990

Joint Statement of Answer filed by Respondents: July 18, 1990

Submission Agreement signed by Respondent Shearson: June 29, 1990

Submission Agreement signed by Respondent Sutherland: July 18, 1990.

HEARING INFORMATION

Hearing Date/Session: December 3, 1991 - one session

Hearing Location: Los Angeles, California

### CASE SUMMARY

Claimants alleged Respondents breached their fiduciary duty to Claimants by failing to advise them of an impending call on their preferred shares of Sun Company, Inc.

Respondents denied all allegations of wrong-doing, and asserted that any losses suffered by Claimants were not caused by the actions of Respondents.

### RELIEF REQUESTED

Claimants requested damages of \$26,555.80 plus interest, costs and attorney's fees.

Respondents requested dismissal of all claims and an award of costs of arbitration.

### AWARD

After considering the pleadings, the testimony and the evidence presented at the hearing, and the post-hearing submissions, the undersigned arbitrator has decided in full and final resolution of the issues submitted for determination as follows:

1. Respondents are jointly and severally liable for and shall pay to Claimants the sum of \$21,245, plus 8% simple interest from August 10, 1988, until the award is paid.
2. The parties shall each bear their respective costs including attorneys' fees.
3. The jurisdictional issue decided by the sole arbitrator is that New York law applies to this proceeding.

### FILING FEES

Pursuant to Section 43c of the Code of Arbitration Procedure, the NASD shall retain the \$400 filing fee previously deposited by the Claimants.

### ARBITRATION PANEL

Name  
Isidoro Berkman

Public/Industry  
Public



DATE SERVED: 1/24/92

Date of Decision:

January 21 1992