

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant:

R.H. Kuhn Co., Inc.

90-03271

Name of Respondents:

Butcher & Singer, Inc.  
William M. Mackay

REPRESENTATION

For Claimant: Robert S. Whitehill, Esq. of Healey, Whitehill, Davidson,  
Deasy & Hornack.

For Respondents: Paula Shaffner, Esq. of Saul, Ewing, Remick & Saul.

CASE INFORMATION

Claimant filed a Statement of Claim on November 12, 1990 and executed a  
Submission Agreement on November 14, 1990.

Respondents filed a joint Statement of Answer on March 20, 1991.  
Respondent Butcher & Singer Inc. ("Butcher & Singer") executed a Submission  
Agreement on March 26, 1991. Respondent William M. Mackay ("Mackay") executed  
a Submission Agreement on March 20, 1991.

HEARING INFORMATION

Hearing Date/Sessions: October 10, 1991 - two sessions.

Hearing Location: Pittsburgh, Pennsylvania.

CASE SUMMARY

Claimant alleged that Respondent Butcher & Singer and Respondent MacKay  
misrepresented the safeness of Claimant's investment in a zero-coupon First  
Federal Savings and Loan of Arizona bond.

Respondents maintained that they could not have known of the risk and that Claimant was a sophisticated investor who accepted the market risk and risk of insufficient collateralization.

RELIEF REQUESTED

Claimant requested damages of \$10,000.00.

Respondents requested dismissal of the claim and costs to be assessed against the Claimant.

AWARD

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

1. Respondent Butcher & Singer and Respondent William MacKay are liable jointly and severally to the Claimant and shall pay the sum of \$6.44 as return of principal.
2. Claimant will not be awarded any damages for loss of interest.
3. Each side shall bear its own costs, including attorney's fees.

FORUM FEES

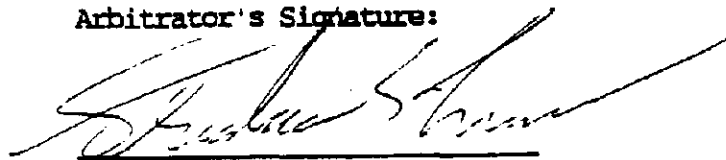
Pursuant to Section 43c of the Code of Arbitration Procedure, Forum Fees of \$300.00 are assessed. This amount was computed as follows:

2 sessions X \$300.00/session - \$300.00 hearing session deposit  
previously paid by Claimant

Respondent Butcher & Singer and Respondent William MacKay are liable jointly and severally and shall pay the sum of \$300.00 to the NASD. They are also liable jointly and severally and shall pay the sum of \$300.00 to the Claimant to reimburse him for the hearing session deposit previously paid.

The NASD will retain the \$100.00 nonrefundable claim filing fee previously paid by the Claimant.

Arbitrator's Signature:



Frederick E. Liechti, Esq.  
Public Arbitrator/Chairperson

DATED: November 8th, 1991