

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

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In the Matter of the Arbitration Between :  
: Rita A. Salmon :  
: Claimant :  
: vs. :  
: Waddell & Reed, Inc. :  
: Don Rosen :  
: Respondents :  
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CASE

AWARD

90-03429

CASE SUMMARY

Pro Se Claimant, Rita A. Salmon, in a claim filed with the National Association of Securities Dealers, Inc. on December 5, 1990, alleged that Respondents misrepresented her investment options and the charges for withdrawal from her investments. She state that Respondents failed to rollover her funds until a second request was made. Claimant states that Mr. Rosen recommended that she change her investment from United High Income Mutual Fund to United Income Mutual Fund.

Respondents, in a joint Statement of Answer submitted by David R. Burford, Esq., maintained that Mr. Rosen informed Claimant that she would incur a fee upon surrendering her AUL annuity. They state that there were no misrepresentations or misleading statements made in the sales of the securities and that Mr. Rosen advised Ms. Salmon correctly in view of the tax law provision concerning IRA's and the avoidance of "constructive receipt". They state that any losses on the UHIF and UBF were the result of market fluctuations.

RELIEF REQUESTED

Claimant requests return of the One Thousand Dollars and No Cents (\$1,000.00) surrender fee charged, Three Hundred Eighty-Nine Dollars and Sixty-Nine Cents (\$389.69) commission charge for UHIF, Three Hundred Eighty-Five and Sixty-Nine (\$385.69) commission charge for United Bond Fund and actual losses of Thirty-Two Dollars and Eighty-Three Cents (\$32.83) and Nine Hundred Seventy-Four Dollars and Ninety-Seven Cents (\$974.97) for a total claim of Two Thousand Seven Hundred Eighty-Three Dollars and Eighteen Cents (\$2,783.18).

Respondents request that Ms. Salmon's Claims be denied and that Claimant be responsible for bearing her costs.

AWARD

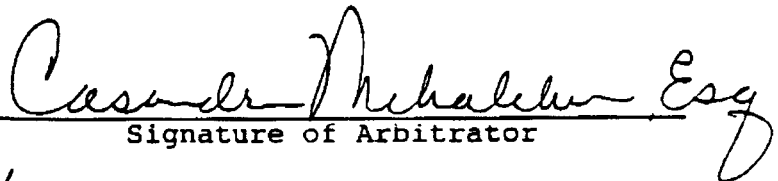
Pursuant to Section 13 of the National Association of Securities Dealers, Inc. Code of Arbitration Procedure, a ~~single~~ Public Arbitrator, Casandra Mihalchick, Esq., was ~~selected~~ to review and determine the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimant on November 30, 1990 and by the Respondents on May 3, 1991 and April 26, 1991, respectively;

And, that the Arbitrator, having considered the proof of the Parties, has decided and determined in full and final resolution of the issues submitted for determination as follows:

1. That the Claim of Rita A. Salmon against Don Rosen be, and hereby is, dismissed.
2. That Respondent Waddell & Reed, Inc. is liable and shall pay to the Claimant Rita A. Salmon the sum of One Thousand Seven Dollars and Eighty Cents (\$1,007.80).
3. The One Hundred Twenty-Five Dollars and No Cents (\$125.00) filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimant shall be retained by the NASD, Inc. and is assessed against Waddell & Reed, Inc. who shall pay One Hundred Twenty-Five Dollars and No Cents (\$125.00) to the Claimant Rita A. Salmon.

AFFIRMATION

I, CASANDRA MIHALCHICK, ESQ., do hereby affirm upon my oath as arbitrator that I am the individual described herein and who executed this instrument, which is my oath and award.

  
Signature of Arbitrator

DATED: 7/19/91