

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

The Baumgartner Family Trust
Claimant(s)

91-02003

Glenfed Brokerage Services
Respondent(s)

REPRESENTATION

For Claimant: James F. Robinson, Esq.

For Respondent: Joel Dwork, Esq. of Everakes, Spicer, Lax, Wildman, Dwork & Dickson

CASE INFORMATION

Statement of Claim filed: June 27, 1991

Claimant's Submission Agreement signed by Vicki B. Campbell, Trustee of The Baumgartner Family Trust on May 24, 1991

Statement of Answer filed by Respondent, Glenfed Brokerage Services on August 13, 1991.

Respondent, Glenfed Brokerage Services' Submission Agreement signed on: August 12, 1991.

HEARING INFORMATION

Pre-Hearing Conference : None

Hearing Date/Sessions: January 22, 1992 / one session

Hearing Location: San Diego, California

CASE SUMMARY

Claimant, The Baumgartner Family Trust (Baumgartner) alleged that, as a result of representations made by a Glenfed broker, Baumgartner invested the sum of \$68,372.00 in a program referred to as Kemper High Yield Fund. The investment declined in value resulting in a loss of approximately \$21,585.00. Said investment was unsuitable in light of Baumgartner's investment objective of paying the trust's beneficiary's living expenses.

Respondent, Glenfed Brokerage Services (Glenfed), alleged that said investment was appropriate in light of the Trust's liquid net worth and that the trustee was provided with a prospectus on the funds and other relevant information regarding the investment.

RELIEF REQUESTED

Claimant requested: The return of the full amount of the loss, interest thereon and costs.

Respondent requested: Dismissal of the claim in its entirety.

OTHER ISSUES CONSIDERED AND DECIDED

The parties have agreed that the Award in this matter may be executed in counterpart copies or that a handwritten, signed Award may be entered. In either case, the parties have agreed to receive conformed copies of the Award while the original(s) remain on file with the NASD.

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, Glenfed Brokerage Services is liable and shall pay to claimant, The Baumgartner Family Trust, the sum of Eleven Thousand Nine Hundred Twenty Six Dollars and No Cents. (\$11,926.00). Said sum is inclusive of interest.
2. Respondent shall pay to the Claimant the sum of \$400.00 in reimbursement for fees previously deposited with the NASD.

FORUM FEES

No Forum Fees are assessed.

ARBITRATION PANEL

Name
William R. Newsome

Public/Industry
Public Chairperson

Concurring Arbitrators' Signatures

William R. Newsome
William R. Newsome

DATE SERVED: 02/19/92

Date of Decision: Jan 23, 1992