

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Grant Carmichael TTEE, et al.

91-02987

Name of Respondents

PaineWebber, Inc.
Shearson Lehman Brothers, Inc.

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on September 25, 1992, Claimant Grant Carmichael TTEE, Merced Pathology Medical Group Pension/Profit SH Plan U/A/D 9/30/79 FBO Grant Carmichael, who appeared Pro Se, alleged that Respondent Shearson Lehman Brothers, Inc. failed to follow instructions in a timely manner to transfer the existing retirement plan program to another brokerage firm. The Claimant further alleged that the delay in transfer caused him to experience investment opportunity loss and that Respondent Shearson Lehman Brothers, Inc. should be held liable for the losses he has incurred. The Claimant further alleged that Respondent PaineWebber, Inc. played a part in the delay of the transfer when it "transposed a number in error on our second submission to Shearson", contributing to the delay which caused him to realize a loss, and that Respondent PaineWebber, Inc. should also be held liable in this matter.

Respondent Shearson Lehman Brothers, Inc., through it's in-house counsel William A. Hohauser, Esq., maintained that it did nothing to delay the transfer of the Claimant's account, and that it proceeded to make the transfer upon receipt of the properly executed transfer documents. Respondent Shearson Lehman Brothers, Inc. contended that during the time the paperwork was being executed the Claimants' assets remained in the MWQ Investment Management Co., and Shearson cannot be held liable for how that company allocates their percentage of investible dollars per account.

Respondent PaineWebber, Inc., through it's in-house counsel, Judy Louie, Esq., maintained that Shearson Lehman Brothers, Inc. rejected the second request for transfer due to

PaineWebber, Inc. human error of transposing a number, but that the error was corrected and sent back to Shearson on the same day. Respondent PaineWebber, Inc. contended that the transfer documentation was done in conformity with industry standard and that any delay was not attributable to this Respondent.

RELIEF REQUESTED

Claimant Grant Carmichael, TTEE requested \$6,687.00 in actual damages.

Respondent Shearson Lehman Brothers, Inc. requested that the claims of the Claimant be dismissed.

Respondent PaineWebber, Inc. requested that the claims of the Claimant be dismissed.

AWARD

Pursuant to Section 13 of the National Association of Securities Dealers, Inc. Code of Arbitration Procedure, a single Public Arbitrator, Paul J. Derenthal, 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 October 16, 1991, by the Respondent PaineWebber, Inc. on November 19, 1991 and by the Respondent Shearson Lehman Brothers, Inc. on July 2, 1992.

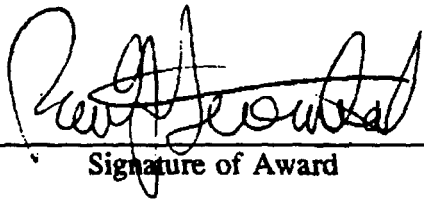
And, the Arbitrator, having considered the proof of the Parties, has decided and determined in full and final resolution of the issues submitted for determination as follows:

1. The claims of the Claimant Grant Carmichael, TTEE against Respondents PaineWebber, Inc. and Shearson Lehman Brothers, Inc. are dismissed in their entirety.
2. The parties shall bear their respective costs.
3. The \$150.00 filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimant shall be retained by the NASD, Inc. Respondent Shearson Lehman Brothers, Inc. is liable and shall pay to the Claimant \$150.00 as reimbursement of the fee.

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AFFIRMATION

I, **PAUL J. DERENTHAL, 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 Award

DATE OF DECISION: Apr 11 22, 1993