

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant(s)

Dallas, Vickie and Corinne Dudschus

NASD Arbitration  
No. 92-00573

Name of Respondent(s)

Shearson Lehman Hutton, Inc.  
Randal Lee Shipley

REPRESENTATION

For Claimant: Ralph R. Smith, Esq., Olympia, Washington

For Respondent: James P. Donohue, Esq., Miller, Nash, Wiener, Hager and Carlsen,  
Seattle, Washington

CASE INFORMATION

Statement of Claim filed: February 18, 1992

Claimant's Submission Agreement signed:

Dallas Dudschus: January 22, 1992

Vickie Dudschus: January 22, 1992

Corinne Dudschus: January 23, 1992

Joint Statement of Answer filed by Respondents: May 27, 1992

Respondents' Submission Agreements signed:

Shearson Lehman: June 15, 1992

Randal Lee Shipley: June 9, 1992

HEARING INFORMATION

Hearing Date/Sessions: October 8, 1992 - 2 sessions

Hearing Location: Seattle, Washington

CASE SUMMARY

Claimants alleged misrepresentation, violation of state and federal securities laws, and lack of suitability with respect to investments in units of Commonwealth Mortgage Association limited partnership.

Respondents denied all allegations of wrongdoing, and asserted that all claims are barred by the applicable statutes of limitation, that claimants ratified the transactions, that claimants failed to mitigate their damages and

that claimants failed to state a claim upon which relief can be granted.

#### RELIEF REQUESTED

Claimants requested damages of \$35,000.00 (\$20,000 for the account of Vickie and Dallas Dudschus; \$15,000 for the account of Corinne Dudschus), plus interest and attorney's fees.

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

#### OTHER ISSUES

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 arbitrators have decided in full and final resolution of the issues submitted for determination as follows:

1. All claims asserted by Corinne Dudschus are dismissed in their entirety.
2. Respondent Shearson Lehman Hutton is liable for and shall pay to Vickie and Dallas Dudschus the sum of \$5,000.00 only.
3. Respondent Randal Lee Shipley is liable for and shall pay to Vickie and Dallas Dudschus the sum of \$5,000.00 only.
4. The parties shall each bear their respective costs including attorney's fees.

FORUM FEES

Pursuant to Section <43c> of the Code of Arbitration Procedure, the NASD shall refund the \$400.00 hearing session fee previously deposited by claimants.

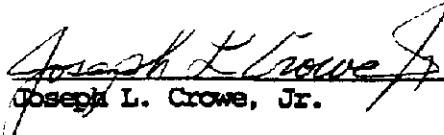
No forum fees are assessed.

ARBITRATORS

Name      --

Public/Industry  
Public Chairperson  
Public Panelist  
Industry Panelist

Signatures

  
\_\_\_\_\_  
Joseph L. Crowe, Jr.  
\_\_\_\_\_

Date of Decision: \_\_\_\_\_

Served Oct 30, 1992