

PUBLIC

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant

Lavinia J. Grady

92-02792

Name of Respondents

Shearson Lehman Brothers, Inc.
William Martin

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on August 19, 1992, Claimant Lavinia J. Grady, who appeared Pro Se, alleged that Respondent Shearson Lehman Brothers, Inc. through its registered representative, William Martin, misled her into investing her money in Amerifirst Bank Federal Savings Bank, which was not a suitable investment considering her investment objectives and her financial status. The Claimant contended that the Respondents failed to provide competent representatives and should be held liable for her losses.

Respondents, Shearson Lehman Brothers, Inc. and William Martin, through their in-house counsel, John P. Bevilacqua, Esq., maintained that they are in no way responsible for the loss incurred by the Claimant and that this transaction was suitable and in accordance with her investment objectives of appreciation with risk. The Respondents contended that although they sympathize with her because of the loss, it was not caused by any action of the Respondent and, therefore, they cannot be held responsible.

RELIEF REQUESTED

Claimant Lavinia J. Grady requested \$9,999.00 in actual damages.

Respondents Shearson Lehman Brothers, Inc. and William Martin requested 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, Simon J. Tager, was selected to review and determine the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimant on July 6, 1992, by the Respondent Shearson Lehman Brothers, Inc. on September 29, 1992 and by Respondent William Martin on September 28, 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. Respondents Shearson Lehman Brothers, Inc. and William Martin are jointly and severally liable and shall pay to the Claimant Lavinia J. Grady \$5,000.00 in actual damages.
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. Respondents Shearson Lehman Brothers, Inc. and William Martin are jointly and severally liable and shall pay to Claimant Lavinia J. Grady \$150.00 as reimbursement of the filing fee.

AFFIRMATION

I, **SIMON J. TAGER**, 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

DATE OF DECISION: March 12, 1993