

**N.A.S.D. AWARD**

**NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.**

In the matter of the Arbitration Between

**Name of Claimant**

Julie M. Traynor

NASD Arbitration  
No. 92-03340

**Name of Respondents**

Linsco Private Ledger Services  
Stephen J. Kasa

**REPRESENTATION**

For Claimant: Randall W. Harper, Esq. Walnut Creek, California

For Respondents: David S. Markun, Esq. - Zelle & Larson - San Francisco, California

**CASE INFORMATION**

Statement of Claim filed: October 2, 1992

Claimant's Submission Agreement signed September 25, 1992:

Statement of Answer filed by Respondents: December 9, 1992

Respondent, Linsco Private Ledger Corp.'s Submission Agreement signed: December 10, 1992

**HEARING INFORMATION**

Pre-Hearing Conference Date / Session: September 17, 1993 - One Session

Hearing Dates / Sessions:

- August 2, 1993 - Two Sessions
- August 3, 1993 - One Session
- September 29, 1993 - Two Sessions
- September 30, 1993 - Three Sessions

Hearing Location: San Francisco, California

### CASE SUMMARY

Claimant alleged that Respondent, while employed by Respondent Linsco Private Ledger Corp., induced her into investing in real estate limited partnerships which were unsuitable in light of claimant's net worth, investment experience and income.

Respondents alleged that the Claimant's objective was an increase in income over what her prior investments had generated. Respondents also alleged that the risks of investments that produce higher yields were fully disclosed to the Claimant prior to her investments.

### RELIEF REQUESTED

Claimant seeks to recover \$65,810.68 plus damages for emotional distress and lost income.

Respondent seeks dismissal of the claim in its entirety, costs, and attorneys' fees.

### OTHER ISSUES CONSIDERED AND DECIDED

The panel reviewed post-hearing submission and deliberated by conference call on November 5, 1993. Post hearing submissions relating to damages calculations by Claimant's expert witness were deemed untimely and therefore were not considered by the Panel. The parties have agreed that the Award in this matter may be executed in either 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 remains on file with the NASD.

### AWARD

After considering the pleadings, the testimony and the evidence presented at the hearing and post hearing submissions, the undersigned arbitrators have decided in full and final resolution of the issues submitted for determination as follows:

1. Respondents, Linsco Private Ledger Corp. and Stephen J. Kasa are jointly and severally liable and shall pay to claimant the sum of Twenty Four Thousand, Three Hundred Twenty Dollars and No Cents (\$24,320.00). Said sum is inclusive of interest.
2. Each and every other claim of claimant is dismissed.
3. Claimant's claim for punitive damages is denied.
4. Claimant's claim for damages for emotion distress is denied.

5. Claimant's claim for damages due to lost income is denied.

**FORUM FEES**

Pursuant to Section 43(c) of the Code of Arbitration Procedure, the following forum fees are assessed:

**Total Fees:**

One pre-hearing conference @ \$300.00 / ea.	-	\$300.00
<del>Eight hearing sessions @ 500.00 / ea.</del>	-	<del>\$4,000.00</del>
Balance due	-	\$4,300.00

Claimant's one-half share:	-	\$2,150.00
<del>Less hearing session deposit previously deposited</del>	-	<del>(\$750.00)</del>
Balance due	-	\$1,400.00

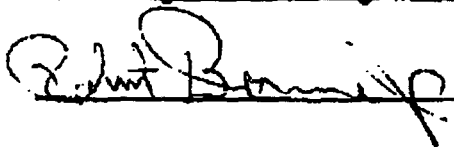
Respondents' one-half share, assessed jointly and severally	-	\$2,150.00
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Fees are payable to the National Association of Securities Dealers, Inc.

**ARBITRATORS**

<u>Name</u>	<u>Public / Industry</u>
Robert Bourne, Jr.	Industry Panelist
Allan Blau	Public Chairperson
Robert Lashly	Public Panelist

**Concurring Arbitrators' Signatures**

  
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Served 11/17/93