

**NATIONAL ASSOCIATION OF SECURITIES DEALERS
AWARD**

In the matter of the Arbitration Between

Name of Claimant

Laureen E. Lynch

NASD Arbitration

No. 94-00837

v.

Name of Respondents

Linsco/Private Ledger Corp.

Marjorie Adams

REPRESENTATION

For Claimant: John L. Hilts, Esq., Irvine, California

For Respondents: Paul I. Hamada, Esq., Keesal Young & Logan, Long Beach, California

CASE INFORMATION

Statement of Claim filed: March 3, 1994

Claimant's Submission Agreement signed: February 26, 1994

Joint Statement of Answer filed: May, 1994

Respondents' Submission Agreements signed:

Linsco/Private Ledger Corp. on April 29, 1994

Marjorie Adams on April 8, 1994

HEARING INFORMATION

The hearing was held in Los Angeles, California, on February 9, 1995, and lasted 2 sessions.

CASE SUMMARY

Claimant alleged that Respondent, Marjorie Adams, recommended unsuitable investments for a

person her age (18), inexperience and limited resources, misrepresented the term of investments, omitted to disclose relevant facts, failed to supervise by not communicating actual state of investments, breached fiduciary responsibility, and failed to disclose fees.

Respondents generally denied the claims and alleged that Claimant was fully informed and understood the nature of the investments in question, that no misrepresentations or omissions were made regarding the investments and that the investments were suitable given Claimant's circumstances at the time.

RELIEF REQUESTED

Claimant requested compensatory damages of \$29,894.24.

Respondents requested dismissal of all claims.

OTHER ISSUES CONSIDERED AND DECIDED

Respondents made a motion to dismiss pursuant to Section 15. The motion was denied.

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, the undersigned arbitrator has decided in full and final resolution of the issues submitted for determination as follows:

1. Respondents marketed two unsuitable investments to Claimant, Public Storage Partners VI (now Storage Equities, Inc. stock) and Sierra Capital High Yield Trust IV (now Meridian Point Realty Trust), failed to provide a prospectus prior to purchase, misrepresented the term of the investments, failed to adequately supervise and keep the client informed of the status of the investments, and misled the client as to the status of the investments.
2. Claimant is entitled to compensation from Respondents, jointly and severally, for loss on the investments in the amount of \$23,494.24.

FORUM FEES

Pursuant to Section 43(c) of the Code of Arbitration Procedure, the NASD shall retain the \$100 non-refundable filing fee, but shall refund the \$300 hearing session deposit paid by Claimant.

Respondents are assessed, jointly and severally, forum fees of \$600 for 2 hearing sessions @ \$300/session.

Fees are payable to the NASD, Inc.

ARBITRATOR

Name

J. Jean Elliott

Public / Industry

Public Arbitrator

Arbitrator's Signature


J. Jean Elliott

Served 3/2/95

Date of Decision: 7/27/95