

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

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

In the matter of the Arbitration Between

**Name of Claimant(s)**

Grace L. Allen

NASD Arbitration  
No. 94-01308

**Name of Respondent(s)**

Robert Deutsch

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**REPRESENTATION**

For Claimant: Grace L. Allen, Mountain View, California

For Respondent: Ann Parry, Esq., Smith Barney Shearson Inc., New York, New York

**CASE INFORMATION**

Statement of Claim filed: February 2, 1994

Additional Submissions filed by Claimant: April 20, 1994; May 7, 1994; February 16, 1995; March 7, 1995; and an undated submission received April 17, 1995

Claimant's Submission Agreement signed: March 31, 1994

Statement of Answer filed by Respondent: June 27, 1994

Additional Submission filed by Respondent: March 14, 1995

Respondent did not file a Submission Agreement. However, he is subject to National Association of Securities Dealers, Inc. (NASD) jurisdiction in accordance with Section 12 of the NASD Code of Arbitration Procedure.

### CASE SUMMARY

Claimant alleged that she suffered damages because of Respondent's failure to follow Claimant's instructions to invest in safe securities.

Respondent denied any liability to Claimant and alleged that Claimant willingly and knowingly assumed the risks involved in investing in growth stocks. Respondent further alleged that Claimant's investments were in accord with her hopes for short-term growth and that Respondent fully informed Claimant of the risks associated with her investments.

### RELIEF REQUESTED

Claimant requested damages of approximately \$1,757.00.

Respondent requested dismissal of Claimant's claims in their entirety. In the alternative, Respondent requested that damages be limited to \$636.01, Claimant's losses on December 2, 1993 from her stock investments (with the exception of KM), offset by her gains as of that date.

### OTHER ISSUES CONSIDERED AND DECIDED

None.

### AWARD

In accordance with the parties' agreement and pursuant to Section 13 of the NASD Code of Arbitration Procedure, Michelle Brant was selected to review and determine the above-captioned matter based on the written submissions by the parties. Ms. Brant, having reviewed and considered the written submissions of the parties, has decided in full and final resolution of the issues submitted for determination as follows:

1. Respondent is liable for and shall pay to Claimant the sum of \$1,396.61 in compensatory damages plus \$90.00 for out-of-pocket expenses.

2. Respondent is liable for and shall pay to Claimant the sum of \$50.00 as reimbursement of Claimant's filing fee (\$25.00) and hearing deposit (\$25.00).

**FORUM FEES**

Pursuant to Section 43(c) of the Code of Arbitration Procedure, the NASD shall refund \$25.00 of the \$50.00 filing fee previously deposited by Claimant and shall refund \$75.00 of the \$100.00 hearing session deposit previously deposited by Claimant.

**PRESIDING ARBITRATOR**

Name \_\_\_\_\_ Public / Industry

Michelle Brant, Esq.

Public Arbitrator

Presiding Arbitrator's Signature

Michelle Brant Esq.  
Michelle Brant, Esq.

Date of Decision: 5.26.95

Date Served: 05/31/95