

**MSRB**  
MUNICIPAL SECURITIES RULEMAKING BOARD

In the Matter of the Arbitration Between  
MERTON EPHRAIM,  
v.  
SHEARSON LEHMAN HUTTON, INC. and WILLIAM BERG,  
Claimant,  
Respondents.

AWARD  
MS89-98  
SC9-038

The undersigned, pursuant to section 31 of MSRB rule G-35, hereby states as follows:

**CASE SUMMARY**

Claimant alleged that there was a vast disparity between the actual value of certain municipal securities purchased by Claimant from Respondents, which Claimant sold in February 1987, at 102, and the price for the securities shown on a January 1987 statement Claimant received from Respondents, namely, 125.52. He further alleged that Respondent Berg told him that he would probably receive approximately 118 for the securities.

Respondents argued that a disclaimer on the account statement states that the bond prices quoted therein may differ from current market quotes, that Respondent Berg told Claimant that the prices quoted on the statement could not be used as an actual price, and that Claimant gave Respondent Berg an order to sell the securities after Respondent Berg informed him that he would receive 102 for the securities.

**RELIEF REQUESTED**

Claimant requested that Respondent be ordered to pay to him \$9,000, the difference between the sale of the securities at a price of 102 and a price of 120 (125.52 (less disclaimer)) he believes he should have received.

Respondent requested that Claimant's claim be dismissed.

**AWARD**

The undersigned arbitrator reviewed the controversy between the parties set forth in submissions to the arbitrator signed by Claimant on December 1, 1989 (filed with the MSRB on December 4, 1989); and by Respondents on January 23, 1990. The undersigned, having considered the matter solely upon the pleadings and evidence submitted by the parties, pursuant to section 34(f) of MSRB rule G-35, has determined, in full and final resolution of the issues submitted for determination, that the claims of Claimant are hereby dismissed in their entirety.

Pursuant to MSRB rule A-16, section (2), the MSRB shall refund to Claimant his \$200 arbitration deposit and \$200 shall be assessed against Respondent Shearson Lehman Hutton, Inc.

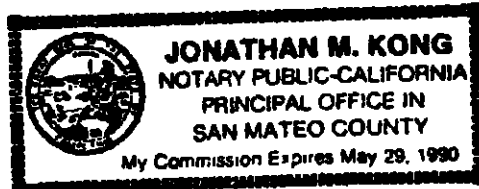
C. Richard Walker  
C. Richard Walker

Dated: March 20, 1990

STATE OF CALIFORNIA  
COUNTY OF SAN MATEO

ss.:

On this 20th day of MARCH, 1990, before me personally appeared C. Richard Walker ~~XXXXXX~~ and known to me to be the individual described in and who executed the foregoing instrument and he duly acknowledged to me that he executed the same.



Jonathan M. Kong