



Respondents.

Respondents deny Claimant's allegations. Respondents argue, among other things, that Claimant opened an account with Respondent MPV in October, 1987, and that Respondent Ircha was assigned to service the account in the latter part of 1989. Respondents argue that Claimant inquired of Respondent Ircha how interest earned on her municipal bonds would be treated for tax purposes in New Jersey. Respondents argue that Respondent Ircha made a recommendation that would result in tax savings for Claimant. Respondents argue that Respondent Ircha explained to Claimant all pertinent information about the New Jersey bonds, including the differences in rating and maturity and the existence of call features, prior to receiving authorization from Claimant to execute the swap. Respondents argue that the net difference between the two transactions was twenty-two cents; that the face amount of the bonds is the same; that the \$50 loss in annual interest income (\$3650 v. \$3600) is offset by the tax savings to Claimant, and that the New Jersey bonds are bank investment grade and A rated. Respondents also argue that Respondent MPV's confirmation of the transaction alerted Claimant to the existence of call features and complied with MSRB rule G-15 as it relates to such disclosure. Respondents also argue that the transactions were executed in compliance with MSRB rule G-30(a). Respondents maintain that Claimant was happy with the swap until another bond professional told her that he could have obtained a better price for her. Respondents argue that such tampering is prohibited.

RELIEF REQUESTED

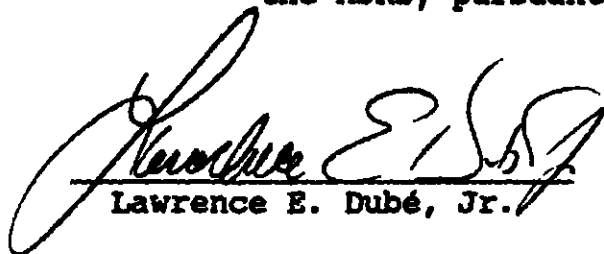
In her Statement of Claim, Claimant requested an award in the amount of \$25,000, plus interest, costs and attorneys' fees. At the hearing, Claimant submitted an amended damage claim totaling \$5,460, which amount included \$3560 in compensatory damages, \$400 in costs, and \$1,500 in attorneys' fees.

Respondents request that Claimant's request for relief be denied.

AWARD

On September 20, 1991, in New York City, New York, the undersigned arbitrator heard the controversy between the parties set forth in submissions to the arbitrator signed by Claimant on January 21, 1991 (filed with the MSRB on January 28, 1991); by Respondent Ircha on March 8, 1991; and, by Respondent MPV on March 7, 1991. The undersigned, having considered the pleadings, the testimony and the evidence presented at the hearing, has determined, in full and final resolution of the issues submitted for determination, as follows:

1. The claims of the Claimant shall be dismissed in their entirety.
2. Each of the parties shall bear its own costs including attorneys' fees.
3. Claimant's \$400 arbitration deposit shall be retained by the MSRB as forum fees, pursuant to section 2 of MSRB rule A-16(2).
4. Claimant's \$100 adjournment fee shall be retained by the MSRB, pursuant to section 20(b) of rule G-35.



Lawrence E. Dubé, Jr.

Dated: *October 4, 1991*

STATE OF *Maryland*
COUNTY OF *Baltimore*
CITY

ss.:

On this *4th* day of *October*, 19 *91*, before me personally appeared Lawrence E. Dubé, Jr. to me known 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.


BERNADETTE E. WADE
NOTARY PUBLIC STATE OF MARYLAND
My Commission Expires March 28, 1995