

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between)	
Keyvan Pourmehr)	
)	
Claimant)	
vs.)	AWARD
)	
Charles Schwab & Co.)	NASD NO. 87-00426
Shearson Lehman Brothers, Inc.)	
Merrill Lynch, Pierce, Fenner & Smith, Inc.)	
Jeffrey Miller)	
Respondents)	

SUMMARY OF ISSUES

This case was filed with the National Association of Securities Dealers, Inc. ("NASD") on March 31, 1987. Claimant alleged: negligence, lack of due diligence and suitability, lack of supervision or negligent supervision and violations of NASD, Securities and Exchange Commission (SEC), Federal, State and for County regulations in the trading of securities, including commodities and options, in his account.

Respondent Merrill Lynch, Pierce, Fenner & Smith, Inc. (MLPFS) denied all substantive allegations of the claim.

Respondent Charles Schwab & Co., Inc. (Schwab) denied all substantive allegations of the claim.

Respondent Shearson Lehman Hutton, Inc. (Shearson) denied all substantive allegations of the claim and asserted the following affirmative defenses: 1) bar of applicable statute of limitations; 2) ratification, waiver and estoppel; and 3) bar of collateral estoppel.

DAMAGES AND RELIEF REQUESTED

Claimant requested:

1. Compensatory damages of \$400,000.00;

2. Punitive damages of \$500,00.00;
3. Costs; and
4. Attorneys' fees.

DAMAGES AND RELIEF AWARDED

On October 3, 1990, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed by Claimant on February 17, 1987, and by Respondents Schwab on July 10, 1989 and May 14, 1990, by Shearson on May 29, 1987, MLPFS on March 30, 1990. Respondent Miller did not file a submission agreement or answer, and although duly served, did not appear at the arbitration but is subject to NASD jurisdiction in accordance with Sections 12 and 29 of the NASD Code of Arbitration Procedure. The hearing was conducted in Portland, Oregon and lasted two sessions. The arbitration panel, 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. All claims are dismissed as a result of the bar of the applicable statute of limitations.

2. The claim for punitive damages is dismissed.

3. The parties shall each bear their respective costs including attorneys fees.

4. In accordance with Section 43 of the NASD Code of Arbitration Procedure, the NASD shall retain the \$750.00 filing fee previously deposited by the Claimant as an assessment of forum fees by the arbitrators. In addition, Respondents MLPFS, Schwab and Shearson are each assessed fees of \$500.00, representing charges for forum fees payable to the NASD, Inc.

OTHER ISSUES

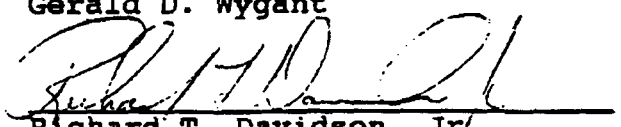
Respondents all made motions to dismiss the claims as barred by the applicable statute of limitations at the completion of claimant's case in chief, which were granted.

ARBITRATORS CONCURRING

Robert D. Rankin, Esq.

Gerald D. Wygant

DATE SERVED: 11/14/90



Richard T. Davidson, Jr.