

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

:	In the Matter of the Arbitration Between	:	
:		:	
:	A & R Kalimian Realty	:	
:		:	
:	vs.	:	CASE #88-01823
:		:	AWARD
:		:	
:	Shearson Lehman Brothers, Inc.	:	
:	Edgar M. Fitzsimons	:	
:		:	
:	Respondents	:	
:		:	
:		:	

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on June 6, 1988, Claimant A & R Kalimian Realty alleged the Respondents misrepresented the yield the Claimant would receive on its investment in the Shearson Lehman Brothers, Inc. Special Tax Exempt Income Portfolio and told the Claimant the investment would provide complete portfolio liquidity and misrepresented to the Claimant that the investment did not contain any fees for redemption upon liquidation of the fund. Respondents Shearson Lehman Brothers, Inc. and Edgar M. Fitzsimons maintained they never "guaranteed" a fixed yield to the Claimant and the Claimant as an experienced and ultra sophisticated investor knew no guarantee existed and further maintained Respondents never represented to the Claimant that there were no redemption fees upon liquidation. Respondents Shearson Lehman Brothers, Inc. and Edgar M. Fitzsimons further maintained any losses incurred were the result of Claimant's own deliberate and informed investment decisions.

RELIEF REQUESTED

Claimant requested damages of \$37,000.00. Respondents requested dismissal of claim plus costs.

AWARD

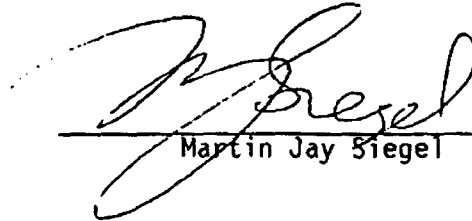
On March 14, 1990 the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed by Claimant A & R Kalimian Realty on May 31, 1988 and by Respondent Shearson Lehman Brothers, Inc. on September 14, 1988 and by Respondent Edgar M. Fitzsimons on March 14, 1990. The hearing was held at the offices of the National Association of Securities Dealers, Inc. located in New York City, NY and consisted of one (1) hearing session. 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:

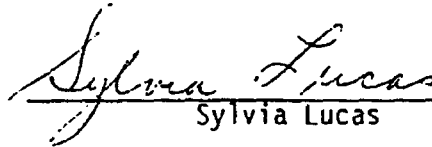
1. The Respondent Shearson Lehman Brothers, Inc. be and hereby is liable and shall pay to the Claimant A & R Kalimian Realty, Inc. the sum of Twenty Four Thousand Dollars and No Cents (\$24,000.00), inclusive of interest.
2. The parties shall each bear their respective costs including attorney's fees.
3. Pursuant to Section 43 of the Code of Arbitration Procedures, the National Association of Securities Dealers, Inc. shall retain the \$400.00 filing fee previously deposited by the Claimant. The Respondent Shearson Lehman Brothers, Inc. be and hereby is liable and shall pay to the Claimant A & R Kalimian Realty the sum of \$400.00 to offset the filing fee paid by the Claimant.

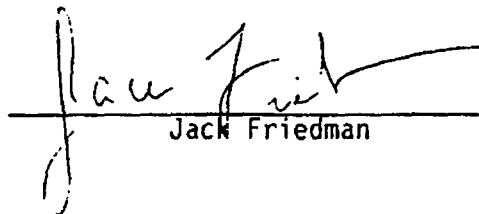
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CONCURRING ARBITRATORS

  
Martin Jay Siegel

  
Sylvia Lucas

  
Jack Friedman

DATED: March 14, 1990