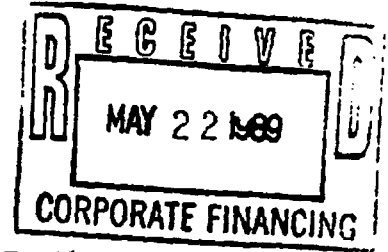


May 17, 1989

Ms. Sandra A. Twigg, Senior Analyst
National Association of Securities Dealers, Inc.
1735 K Street, N.W.
Washington, D.C. 20006



Re: NASD Arbitration 88-02075
Theodore Holstein, M.D. vs. Shearson Lehman and Larry Traylor

Dear Ms. Twigg:

I have reviewed the original submissions of the parties and their additional correspondence. My decision follows:

1. Shearson Lehman Hutton Inc. will pay Theodore Holstein, M.D. \$4,358.40 (\$3,633.33 plus \$725.07 interest).
2. Shearson Lehman Hutton Inc. and Lawrence Traylor are jointly and severally liable for and will pay Theodore Holstein, M.D. \$3,581.00 (\$2,978.67 plus \$602.33 interest). This sum is in addition to No. 1 above.
3. The parties shall bear their respective costs.
4. Claimant's filing fee shall be retained by the NASD, Inc.

Very truly yours,

A handwritten signature in dark ink, appearing to read "Leo B. Rotter". The signature is fluid and cursive, with a long horizontal stroke at the end.

Leo B. Rotter