

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Donna G. Goehle,

Claimant

and

88-02096

Shearson Lehman Brothers, Inc. and
Kent Bowman,

Respondents

CASE SUMMARY

In a claim filed with the NASD on or about June 27, 1988, Donna G. Goehle ("Claimant") alleged that Shearson Lehman Brothers, Inc. ("Shearson") and Kent Bowman ("Bowman") (collectively as "Respondents") made material misrepresentations to induce her to open an option trading account; that she was unsuitable for stock option trading; that the account was churned; breach of duty; breach of fiduciary duty; breach of contract; and that Shearson failed to supervise Bowman.

In their joint answer filed with the NASD on or about August 26, 1988, Respondents denied the allegations of Claimant. Respondents specifically stated that Claimant was fully informed as to the nature and risks of option trading and had represented herself as suitable for option trading; that each transaction was fully discussed with the Claimant prior to execution. Respondents asserted the following affirmative defenses: the statement of claim fails to state a claim upon which relief can be granted; contributory negligence; estoppel; waiver; and ratification.

RELIEF REQUESTED

Claimant requested an award in the amount of at least \$125,000.00, attorney's fees, forum fees, interest and costs.

Respondents requested that the Statement of Claim be dismissed in all respects.

PROCEDURAL ISSUES

The parties have agreed to the execution by the arbitrators of this award in counterpart and to the receipt of a typed conformed copy of this award with the original signature pages to be on file with the NASD.

AWARD

On Monday, May 21, 1990 in Southfield, Michigan, Monday, October 1,

1990 and Tuesday, October 2, 1990 in Detroit, Michigan during a hearing lasting a total of seven (7) sessions, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed on June 9, 1988 by Claimant Donna G. Goehle. Respondents Shearson and Bowman did not file submission agreements with the NASD but are required to submit to arbitration pursuant to Section 12 of the NASD Code of Arbitration Procedure and having appeared at the hearing and presented their defense are bound by the determination of the arbitration panel on all issues submitted.

The arbitration panel, having considered the pleadings, the testimony, and the evidence presented at the hearing, has decided in full and final resolution of the issues submitted for determination as follows:

1. Respondent Shearson shall be and hereby is liable for and shall pay to Claimant Donna G. Goehle the sum of Thirty Two Thousand Five Hundred Dollars (\$32,500.00);

2. Interest at the rate of nine per cent (9%) per annum is awarded on the above stated sum from and inclusive of June 27, 1988 to and inclusive of the date this award is paid;

3. Respondent Kent Bowman shall be and hereby is liable for and shall pay to Claimant Donna G. Goehle the sum of Two Thousand Five Hundred Dollars (\$2,500.00);

4. Interest at the rate of nine per cent (9%) per annum is awarded on the above stated sum from and inclusive of June 27, 1988 to and inclusive of the date this award is paid;

5. No punitive damages are awarded herein;

6. Each party shall bear its own costs and expenses including attorneys fees incurred in this matter not specifically enumerated herein; and

7. Pursuant to Section 43(c) of the Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. shall retain the filing fee in the amount of \$750.00 previously deposited with the NASD by the Claimant Donna G. Goehle. Respondent Shearson shall pay to the NASD the sum of \$4,500.00 as forum fees.

J. Patrick Martin, Esq.



Erwin A. Rubenstein, Esq.

Keith Koerber

10-24-90

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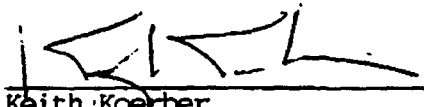
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J. Patrick Martin, Esq.

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10/27/90

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October 24, 1990


J. Patrick Martin, Esq.

Erwin A. Rubenstein, Esq.

Keith Koerber