

Arbitration

National Association of
Securities Dealers, Inc.
425 California St., Rm. 1400
San Francisco, CA 94104
(415) 781-3343
FAX: (415) 362-9946

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant(s)

Eletra Casadei, Trustee et al.

88-02290

Name of Respondent(s)

Shearson Lehman Hutton, Inc.
Stan Zicklin

SUMMARY OF ISSUES

This case was filed with the National Association of Securities Dealers ("NASD") on July 18, 1988.

Claimant alleged that she opened three accounts with Zicklin at the Encino branch of Shearson - an individual account, an IRA custodial account, and one as trustee. Claimant alleged that there were unauthorized stock transactions in these accounts, resulting in losses in each account. At the hearing, Claimant amended the claim to drop the claims for losses in the pension trust account and the IRA account. Respondents denied the allegations of the complaint and alleged that Claimant knew or should have known what was going on in her account, that the trades in her account were profitable until the crash in October, 1987, that Claimant didn't complain about her account until the crash and that all risks concerned in investing in stocks were fully known to Claimant and she knowingly, willingly, and voluntarily assumed the risk of investing in the market.

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DAMAGES AND RELIEF REQUESTED

Claimants requested \$48,249.00 (\$37,736.00 plus interest of \$10,513.00). Respondents requested that Claimant take nothing by her complaint, for their costs of suit incurred herein, and for such other and further relief as may be proper.

DAMAGES AND RELIEF AWARDED

On August 9, 1990 the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed by Claimants on August 4, 1988, by Respondent Shearson Lehman Hutton, Inc. on January 6, 1989, and by Respondent Stan Zicklin on January 6, 1989.

The hearing was conducted in Los Angeles, California, 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:

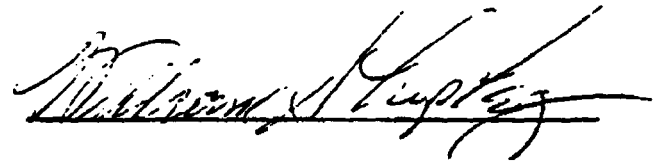
1. Respondents are liable for and shall pay to Claimant Eletra Casadei the sum of Twenty-Three Thousand One Hundred Dollars Exactly (\$23,100.00). Said liability is joint and several.
2. The parties shall each bear their respective costs including attorneys' fees.

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3. In accordance with Section [43] of the National Association of Securities Dealers, Inc ("NASD") Code of Arbitration Procedure, the NASD shall retain the \$400.00 filing fee previously deposited by the Claimant as an assessment of forum fees by the arbitrators. In addition, Respondent Shearson Lehman Hutton, Inc. is also assessed fees of \$400.00, representing charges for forum fees, to be paid directly to the National Association of Securities Dealers, Inc. Said liability is sole liability.

Arbitrator(s) Signature

A handwritten signature in dark ink, appearing to read "William H. Hutton", is written over a horizontal line.