

**NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.**

In the Matter of the Arbitration Between

Mark I. Klein

Claimant

vs.

Shearson Lehman Hutton, Inc.

Respondent

AWARD

CASE NO. 88-03440

**CASE SUMMARY**

Claimant filed this claim on November 3, 1988, and alleged that Respondent was negligent in delivering untimely and incorrect information to Claimant causing him to suffer a loss in his account.

Respondent maintains that it always provided Claimant with timely and accurate information and that Claimant's claim is without merit.

**DAMAGES AND RELIEF REQUESTED**

Claimant requests damages in the amount of \$5,790.00. Respondent requests dismissal of claim and costs.

**DAMAGES AND RELIEF AWARDED**

On July 26, 1989 in San Francisco, California in one session, the undersigned arbitrator heard the controversy between the parties as set forth in submissions to arbitration signed by Claimant on October 31, 1988, and by Respondent on December 9, 1988. 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. Respondent Shearson Lehman Hutton, Inc. is liable for and shall pay to Claimant the sum of Five Thousand Seven Hundred Ninety Dollars and Zero Cents (\$5,790.00).

2. The parties shall each bear their respective costs.

3. Pursuant to Section 43 of the Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. (NASD) shall retain the \$200.00 filing fee previously deposited by the Claimant. Respondent is

hereby liable for the sum of \$200.00 representing the filing fee and shall reimburse Claimant directly.

OTHER ISSUES

Not applicable.

## REPORT OF ARBITRATOR

Mr. F. Sanford Frederickson knew Dr. Mark Klein was relying on him to provide information on which to base a decision about his ASA shares. That information did not get transmitted in all its complexity until the hearing. After waiting for the information for approximately 13 days or more, Dr. Klein resorted to other sources, relied on possibly faulty information, and made a bad decision.

Respondent had the responsibility to provide valid, complete information in a timely fashion, but did not.