

In the Matter of the Arbitration Between

W. Ray Culp, III

Claimant(s)

and

Shearson, Lehman Brothers, Inc.

and

George Landolt

Respondent(s)

JUN 6 1960

Respondents filed a joint answer with the NASD on or about June 16, 1989, wherein they denied any liability. Respondents alleged that Claimant was extremely knowledgeable about the market and on numerous occasions stated that he understood the risks associated with options trading. Respondents also asserted certain affirmative defenses including, but not limited to, waiver, ratification and assumption of risk.

Claimant requested \$150,000.00 in actual damages, \$300,000.00 in punitive damages and reasonable attorney's fees. Respondents requested that the Statement of Claim be dismissed and that they be awarded their costs in defending this matter.

On November 9, 1989, the parties, counsel, witnesses and arbitrators appeared in Nashville for the initial hearing date. It was disclosed that one of the arbitrators had a professional relationship with one of the witnesses. This arbitrator was recused and the hearing was adjourned because the parties would not agree to go forward with the two remaining arbitrators.

At the close of Claimant's case on May 3, 1990, Respondent's counsel moved for a directed verdict. The panel heard argument, considered the motion in executive session and determined to take the motion under advisement. The Respondents therefore were obligated to put on their case in defense of the claim.

AWARD

On Thursday, November 9, 1989, Thursday, May 3, 1990 and Friday, May 4, 1990 in Nashville, Tennessee, during a hearing lasting a total of four (4) hearing sessions, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed on March 8, 1989 by Claimant W. Ray Culp, III, on June 15, 1989 by Jonathan R. Morris on behalf of Respondent Shearson, Lehman Brothers, Inc. and on July 1989 by Respondent George Landolt.

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. The oral motion for directed verdict argued by Respondent's counsel following the close of the Claimant's case and which the panel took under advisement is denied;
2. All claims asserted by Culp against Shearson and Landolt shall be and are hereby dismissed in their entirety;
3. The parties shall each bear their respective costs and expenses, including any attorney's fees incurred in this matter; and,
4. Pursuant to Section 43(b) of the Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. shall retain as forum fees, the \$750.00 filing fee previously deposited with the NASD by Culp and Culp is assessed and will pay the the NASD additional forum fees in the amount of \$750.00.

By the Panel

Date: _____

/S/

Presiding Chair
John R. Voigt, Esq.

Date: JUNE 1, 1990

/S/

Stanley Snodgrass, Esq.

Date: _____

/S/

Loren Kirkpatrick, Esq.

At the close of Claimant's case on May 3, 1990, Respondent's counsel moved for a directed verdict. The panel heard argument, considered the motion in executive session and determined to take the motion under advisement. The Respondents therefore were obligated to put on their case in defense of the claim.

AWARD

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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. The oral motion for directed verdict argued by Respondent's counsel following the close of the Claimant's case and which the panel took under advisement is denied;
2. All claims asserted by Culp against Shearson and Landolt shall be and are hereby dismissed in their entirety;
3. The parties shall each bear their respective costs and expenses, including any attorney's fees incurred in this matter; and,
4. Pursuant to Section 43(b) of the Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. shall retain as forum fees, the \$750.00 filing fee previously deposited with the NASD by Culp and Culp is assessed and will pay the the NASD additional forum fees in the amount of \$750.00.

By the Panel

Date: _____

/S/

Presiding Chair
John R. Voigt, Esq.

Date: _____

/S/

Stanley Snodgrass, Esq.

Date: May 31, 1990

/S/

Loren Kirkpatrick, Esq.

At the close of Claimant's case on May 3, 1990, Respondent's counsel moved for a directed verdict. The panel heard argument, considered the motion in executive session and determined to take the motion under advisement. The Respondents therefore were obligated to put on their case in defense of the claim.

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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. The oral motion for directed verdict argued by Respondent's counsel following the close of the Claimant's case and which the panel took under advisement is denied;

2. All claims asserted by Culp against Shearson and Landolt shall be and are hereby dismissed in their entirety;

3. The parties shall each bear their respective costs and expenses, including any attorney's fees incurred in this matter; and,

4. Pursuant to Section 43(b) of the Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. shall retain as forum fees, the \$750.00 filing fee previously deposited with the NASD by Culp and Culp is assessed and will pay the the NASD additional forum fees in the amount of \$750.00.

By the Panel

Date: 5/31/90

/S/

John R. Voigt
Presiding Chair
John R. Voigt, Esq.

Date: _____

/S/

Stanley Snodgrass, Esq.

Date: _____

/S/

Loren Kirkpatrick, Esq.