

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

IN THE MATTER OF THE ARBITRATION BETWEEN :
:
Melvin & Elaine Schwartz :
:
: Claimants : Case # 89-01073
:
vs. : AWARD
:
:
:
Shearson Lehman Hutton, Inc. :
Judy Lev :
:
: Respondents :

CASE SUMMARY

This proceeding was commenced initially on April 10, 1989 by Claimants Melvin and Elaine Schwartz against Respondents Shearson Lehman Hutton, Inc. ("Shearson") and Judy Lev ("Lev"), and arises out of a certain account held by Claimant at the New York office of Shearson. Claimants allege that the Respondents breached their fiduciary duty to Claimant by failing to disclose material information concerning his investment in Permian Limited Partnership ("Permian") and by not providing Claimants with a prospectus on such investment.

Respondents deny each and every allegation contained in the statement of claim and further deny any liability to Claimants. Respondents essentially contend that the Claimants were fully informed of the proposed investment and were provided with a prospectus which described the business of Permian.

RELIEF REQUESTED

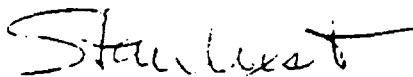
Claimants request an amount of \$12,000.00 Respondents request that the statement of claim be dismissed in its entirety and an award of costs, including attorney's fees.

AWARD

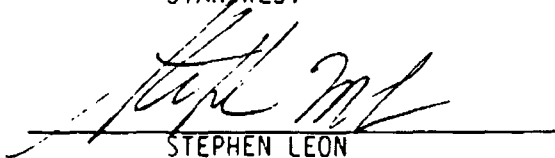
On February 27, 1990, said dates representing one hearing session in New York, New York, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed by Claimants and Respondents hereto. The arbitration panel, having considered the pleadings, 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. The Respondents Shearson Lehman Hutton, Inc. and Judy Lev shall be jointly and severally liable to the Claimants for the amount of Twelve Thousand Seven Hundred Five Dollars and Eighty Three (\$12,705.83).
2. The parties shall each bear their respective costs including attorney's fees.
3. Pursuant to Section 43 of the Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. shall retain the \$400.00 filing fee previously deposited by the Claimant as costs of the one hearing session conducted in this matter.

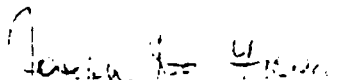
CONCURRING ARBITRATORS



STAN WEST



STEPHEN LEON



JOSEPH DAGROSA

DATED: March 23rd, 1990