

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

IN THE MATTER OF THE ARBITRATION BETWEEN	:
	:
Esther S. Hirshberg	:
	:
Claimant	: Case #89-01108
	:
vs.	: AWARD
	:
	:
	:
Legg Mason Wood Walker, Inc.	:
	:
Respondent	:

CASE SUMMARY

Claimant Esther Hirshberg alleged that the Respondent Legg Mason Wood Walker, Inc. ("Legg Mason"), through its former employee, Michael B. Chamberlain, breached its fiduciary obligation and was negligent in advising the Claimant to purchase shares in a limited partnership, namely Damson Oil and Gas Income Fund. Claimant alleged that this was an unsuitable investment given her financial position, and she was not informed nor aware of the risks involved in this investment. Respondent contended that the recommendation of the Damson Oil and Gas Income Fund was reasonable, because it was a stable investment with a solid yield. Moreover, the Respondent contended that the Claimant was aware of all the risks involved, was given a prospectus, and was an intelligent woman who fully authorized the purchase of the investment. Further, the Respondent contended that all claims are barred by the applicable statute of limitations, and that the Claimant failed to mitigate her losses.

RELIEF REQUESTED

Claimant Esther Hirshberg requested actual damages not in excess of \$10,000.00. Respondent Legg Mason Wood Walker, Inc. requested dismissal of the Statement of Claim in its entirety.

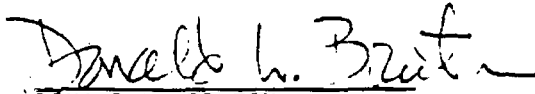
AWARD

On January 10, 1990, the undersigned arbitrator heard the controversy between the parties as set forth in submissions to arbitration signed by Claimant Esther Hirshberg on April 10, 1989, and by Respondent Legg Mason Wood Walker, Inc. on January 15, 1990. The hearing was held at the offices of the

National Association of Securities in Philadelphia, PA and consisted of one (1) hearing session. The arbitrator, 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 Respondent Legg Mason Wood Walker, Inc. be and hereby is liable and shall pay to the Claimant Esther Hirshberg the sum of Two Thousand Five Hundred Dollars and No Cents (\$2,500.00), inclusive of interest.
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 \$200.00 filing fee previously deposited by the Claimant as costs of the one (1) hearing session conducted in this matter. The Respondent Legg Mason Wood Walker, Inc. be and hereby is liable and shall pay to the Claimant the sum of Two Hundred Dollars and No Cents (\$200.00) to offset this fee.

CONCURRING ARBITRATORS


DONALD L. BRUTON

Dated: February 8th, 1990