

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between

Shearson Lehman Hutton, Inc. Claimant

vs.

Stanley Schulman Respondent

AWARD

CASE NO. 89-01969

SUMMARY OF ISSUES

This case was filed with the National Association of Securities Dealers, Inc. ("NASD") on June 11, 1989. Claimant alleged that Respondent opened an account with Claimant and instructed his Financial Consultant to purchase 100,000 shares of Specs Music. Claimant alleged that Respondent agreed to a payment schedule for payment of the trade, that Respondent defaulted on the payment schedule, and that Claimant was forced to liquidate Respondent's account.

DAMAGES AND RELIEF REQUESTED

Claimant requested that a decision be rendered against Respondent in the amount of \$69,468.40 plus interest at the legal rate of interest as recognized by the State of New York, plus reasonable attorneys' fees and costs associated with the filing of this claim.

DAMAGES AND RELIEF AWARDED

On June 8, 1990, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed by Claimant on July 11, 1989. Respondent Stanley Schulman, duly notified of the arbitration and hearing dates, and subject to the jurisdiction of the National Association of Securities Dealers, Inc. pursuant to Section 12 of the Code of Arbitration Procedure, did not appear at the hearing. The hearing was conducted in Los Angeles, California and lasted one session. 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:

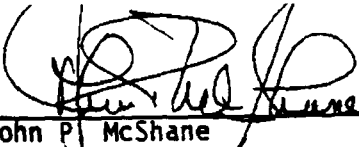
1. Respondent is liable for and shall pay to Claimant the sum of Seventy-Nine Thousand, Eight Hundred Eighty-Eight Dollars and Sixty-Six Cents (\$79,888.66), inclusive of interest.

2. The parties shall each bear their respective costs including attorneys' fees.

3. In accordance with Section 43 of the NASD Code of Arbitration Procedure, the NASD shall retain the \$1,000.00 filing fee previously deposited by the Claimant as an assessment of forum fees by the arbitrators. Respondent is liable for and shall reimburse Claimant said \$1,000.00 filing fee.

PRESIDING ARBITRATORS

DATE SERVED: 07/23/90



John P. McShane