

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between

Georgina A. Davitt

Claimant

vs.

CASE #89-02598
AWARD

Shearson Lehman Brothers, Inc. d/b/a
Shearson Lehman Hutton, Inc.
Donald R. McKay

Respondents

CASE SUMMARY

Claimant asserted Respondents made unsuitable investments, breached fiduciary duties in their handling and supervision of her account, churned it solely to generate commissions, and conducted unauthorized trading.

Respondents denied making unsuitable investments, churning the account, or transacting unauthorized trades, and asserted that depletion of the account's portfolio value resulted primarily from the large withdrawals made by Claimant while maintaining her Financial Management Account.

RELIEF REQUESTED

Claimant asked for compensatory damages in excess of \$500,000.00, punitive damages, attorneys' fees and costs.

AWARD

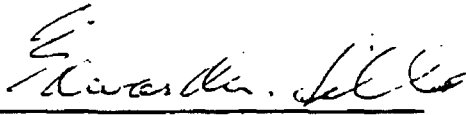
On April 16, April 30 and May 1, 1990 in six sessions in New York City, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed by Claimant, Georgina A. Davitt on September 14, 1989, and by Respondents Shearson Lehman Brothers, Inc. and Donald R. McKay on December 7, 1989, and having considered the pleadings, the testimony, and the evidence presented at the hearing, have determined in full and final resolution of the issues submitted for determination as follows:

1. Claimant is awarded the sum of One Hundred Twenty Five Thousand Dollars and No Cents (\$125,000.00), against Respondent Shearson Lehman Brothers, Inc. to be paid upon the assignment by Claimant to said Respondent of all her present right, title and interest in participations in the limited partnerships known as Shearson Union Square Associates, Shearson Beverly Hills Medical, Senior Income Fund, Shearson Hotel Properties, Federal Insured Mortgage Investors, and Burger King Certificates of Participation, listed in

Respondents' Exhibit J, titled Analysis of Limited Partnerships Investments, Georgina A. Davitt, Shearson account No. 692-10590, the payment and delivery of assignments pursuant to this award to be completed within thirty (30) days of service thereof on said Respondent; and the claims of Claimant are otherwise dismissed.

2. Each of the parties shall 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 \$1,000.00 filing fee previously deposited by the Claimant.
1. Claimant Georgina A. Davitt is hereby assessed an additional forum fee in the amount of \$1,000.00, and Respondents David R. McKay and Shearson Lehman Brothers, Inc. are jointly assessed forum fees in the amount of \$4,000.00 payable to the NASD, Inc. in accordance with Section 43 of the Code of Arbitration Procedure.

ARBITRATORS CONCURRING


Edward M. Silts


Yale Chenen


Victor Alvarez

DATED: June 27th , 1990