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NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between)	
Nick Yie-Ming Hsieh)	
Lisa Li-Hsia Hsieh)	
)	
)	AWARD
vs.)	
)	NASD No. 90-00040
Shearson Lehman Brothers, Inc.)	
Harold Lau)	
)	
)	
)	

SUMMARY OF ISSUES

This case was filed with the National Association of Securities Dealers, Inc. ("NASD") on January 2, 1990. Claimants alleged misrepresentation and lack of suitability in the trading of options in their account.

Respondent Shearson Lehman Brothers, Inc. (Shearson) denied all substantive claims and alleged the following affirmative defenses: 1) assumption of risk 2) failure to mitigate 3) comparative negligence 4) estoppel 5) ratification 6) laches 7) waiver and 8) good faith execution of transactions and proper supervision and control over employees.

Respondent Lau did not answer but appeared at the hearing.

DAMAGES AND RELIEF REQUESTED

Claimant requested compensatory damages in the amount of \$59,059.12.

DAMAGES AND RELIEF AWARDED

On September 5, 1990, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed by Claimants on November 17, 1989 and by Respondent Shearson on February 20, 1990. Respondent Lau did not file a submission agreement or answer, but appeared at the hearing and is subject to NASD jurisdiction pursuant to the NASD

Code of Arbitration Procedure Section 12. The hearing was conducted in Los Angeles, California and lasted two sessions. 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. Respondents are jointly and severally liable for and shall pay to claimants the sum of \$20,000.00 in compensatory damages.

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 \$500.00 filing fee previously deposited by the claimants which is assessed against Respondents as forum fees, jointly and severally, and is to be paid to claimants. Respondents are further assessed an additional \$500.00 as forum fees payable to the NASD, Inc.

ARBITRATORS CONCURRING

DATE SERVED: 11/06/90

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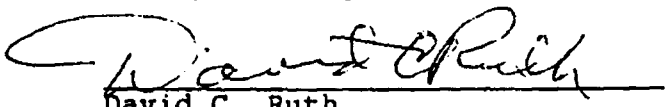
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ARBITRATORS CONCURRING

R. James Shaffer

Philip W. Burge

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