

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

In the Matter of the Arbitration Between

Name of Claimant(s)

Roger H. Williams

90-00080

Name of Respondent(s)

Shearson Lehman Hutton, Inc.
Stephen Paul Vanier

CASE SUMMARY

In a claim filed with the NASD on or about January 4, 1990 Roger H. Williams and Katherine E. Williams (collectively "Claimants") alleged that Shearson Lehman Hutton, Inc. and Stephen P. Vanier (collectively "Respondents") were fiduciaries with respect to the Claimants' account and breached their duty to the Claimants by advising the Claimants to invest in speculative and otherwise unsuitable securities. Further, Claimants asserted that Respondents violated the anti-fraud provisions of the federal and state securities laws and acted negligently and fraudulently with respect to Claimants' account. Specifically, Claimants alleged that Respondent Shearson Lehman Hutton, Inc. is liable to the Claimants for failing to properly supervise Respondent Stephen P. Vanier in the handling of Claimants' account.

In an answer filed with the NASD on or about March 2, 1990, Respondents denied all allegations of wrongdoing asserted in the Statement of Claim and denied any and all liability to the Claimants for damages.

RELIEF REQUESTED

Claimants requested actual damages in the amount of \$28,622.83 along with punitive damages, interest, attorneys fees and costs.

AWARD

On November 6, 1989 in Denver, Colorado during a hearing lasting a total of two (2) sessions, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed by Claimants Roger H. Williams and Katherine E. Williams on December 7, 1989 and October 30, 1990, respectively, and on February 28, 1990 by William Hohausser on behalf of Shearson Lehman Hutton, Inc.

The arbitration panel, having considered the pleadings, the testimony, and the evidence presented at the hearing, has decided in full and final resolution of the issues submitted for determination as follows:

1. Respondent Shearson Lehman Hutton, Inc. and Stephen Vanier are liable for, jointly and severally, and shall pay to the Claimants Roger H. and Katherine E. Williams damages in the amount of Thirty Four Thousand Six Hundred Thirty Three Dollars and Sixty Two Cents (\$34,633.62).

2. There is no award of punitive damages or attorneys' fees.

3. The parties shall bear their own costs and expenses.

Pursuant to Section 43(c) of the Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. shall refund the hearing session deposit in the amount of \$500.00 previously deposited with the NASD by the Claimants. The \$500.00 filing fee is hereby assessed against the Respondents, jointly and severally, along with \$1000.00 in forum fees.

By the Panel

Dated: November 6, 1990

/S/ William M. Pendleton
Presiding Chairman

Dated: November 6, 1990

/S/ Terrance P. Moran

Dated: November 6, 1990

/S/ Nancy E. Stead, Esq.