

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between	)	
Arnold Laub	)	Claimant
vs.	)	
Shearson Lehman Hutton, Inc.	)	
Steven Brom Wilner	)	Respondents
	)	AWARD
	)	CASE NO. 90-00584

SUMMARY OF ISSUES

Claimant alleged Respondents failed to disclose to him the risks inherent in his purchase of the thinly-traded common stock of Advanced Biotherapy Concepts, Inc., and further failed to inform him of the deteriorating financial condition of the company. Claimant further alleged this stock was not suitable for his financial objectives and level of investment sophistication.

Respondents denied all Claimant's allegations, and asserted that Claimant was fully informed of the risks of ABC stock as well as all aspects of the company itself. Respondents denied liability, as any losses suffered by Claimant were due to market conditions, not to misrepresentations or omissions by Respondents. Respondents also asserted that this claim is barred by the applicable statutes of limitations.

DAMAGES AND RELIEF REQUESTED

Claimant requested damages of \$18,443.03, plus interest.

Respondents requested dismissal of all claims and an award of costs of arbitration.

DAMAGES AND RELIEF AWARDED

This claim was filed with the NASD on February 27, 1990. On October 23 and 29, 1990, the undersigned arbitrator heard the controversy between the parties pursuant to submissions to arbitration signed by Claimant on January 12, 1990, and by an authorized representative of Shearson Lehman Hutton on April 16, 1990, and by Steven Wilner on May 7, 1990. The hearing was conducted in San Francisco, California and lasted three (3) 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 as follows:

1. All claims brought by Claimant are dismissed.
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 \$400.00 filing fee previously deposited by the Claimant.

OTHER ISSUES

None.

DATE SERVED: 11/20/90

  
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John B. Reilley