

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

In the Matter of the Arbitration Between :
Robert and Gloria Schumacher :
Claimants : CASE #90-01555
vs. : AWARD
Shearson Lehman Hutton, Inc. :
Respondent :

CASE SUMMARY

Claimants, Robert and Gloria Schumacher, in a claim filed with the National Association of Securities Dealers, Inc. on June 1, 1990, alleged that Respondent, Shearson Lehman Hutton, Inc., failed to close out the equity portion of their account at a maximum ten percent (10%) drop in value.

Respondent, Shearson Lehman Hutton, Inc., denies that the broker, John Kovarik entered into a formal commitment to liquidate the equity fund at a ten percent (10%) drop.

RELIEF REQUESTED

Claimants request ten thousand dollars (\$10,000.00) in damages.

AWARD

Pursuant to Section 13 of the National Association of Securities Dealers, Inc. Code of Arbitration Procedure, a single Public arbitrator, Harry E. Jennings, Esq., was selected to review and determine the matter in controversy between the parties set forth in submissions to Arbitration signed by the Claimants on May 29, 1990 and by the Respondent on August 22, 1990, respectively;

And, that the Arbitrator, having considered the proofs of the Parties, has decided and determined in full and final resolution of the issues submitted for determination as follows:

1. The Respondent, Shearson Lehman Hutton, Inc., shall pay the sum of eight thousand seven hundred fifty dollars and no cents (\$8,750.00) to the Claimants, Robert and Gloria Schumacher.

The parties shall bear their respective costs including attorney's fees.

The two hundred dollar (\$200.00) filing fee previously deposited with the National Association of Securities Dealers, Inc. by the Claimant shall be retained by the NASD, Inc.

An equal forum fee of two hundred dollars (\$200.00) is assessed against the Respondent and payable to the National Association of Securities Dealers, Inc.

AFFIRMATION

I, HARRY E. JENNINGS, ESQ., do hereby affirm upon my oath as arbitrator that I am the individual described herein and who executed this instrument, which is my oath.

Signature of Arbitrator

DATED: November ____, 1990