



N.A.S.D. AWARD

Arbitration

NATIONAL ASSOCIATION OF SECURITIES DEALERS

National Association of
Securities Dealers, Inc.
NASD Financial Center
33 Whitehall Street
New York, New York 10004

In the Matter of the Arbitration Between

Name of Claimant(s)

Jerry Barshatky

90-01754

Name of Respondent(s)

Shearson Lehman Hutton, Inc.
Dan Bruno
Palmer Patton

REPRESENTATION

For Claimant, Jerry Barshatky: Brian H. Mahany, Esq.

For Respondents, Dan Bruno, Shearson Lehman Hutton, Inc. and Palmer Patton:
William A. Olshan, Esq. of Shearson Lehman Hutton, Inc.

CASE INFORMATION

Statement of Claim filed: June 21, 1990.

Claimant's Submission Agreement signed on: April 23, 1990.

Joint Statement of Answer filed by Respondents, Dan Bruno, Shearson Lehman Hutton, Inc. and Palmer Patton on: September 7, 1990.

Respondent, Dan Bruno, Submission Agreement signed on: August 6, 1990.

Respondent, Shearson Lehman Hutton, Inc, Submission Agreement and Corporate Acknowledgment signed by Joseph C. Pickard on: September 6, 1990.

Respondent, Palmer Patton, Submission Agreement signed on: August 6, 1990.

HEARING INFORMATION

Hearing Date: March 13, 1991-two (2) sessions.

Hearing Date: March 14, 1991-two (2) sessions.

Hearing Date: April 5, 1991-two (2) sessions.

Hearing Location: New York City, New York

CASE SUMMARY

Claimant, Jerry Barshatky, alleged that he was an inexperienced and unsophisticated investor when he opened accounts at Shearson Lehman Hutton, Inc., and that thereafter Respondents, Daniel Bruno his account executive churned his account, made unauthorized trades failed to execute certain orders and to follow certain instructions, made unsuitable recommendations and collected excess commissions. Claimant also alleged that Respondents mishandled the transfer of his account, causing him substantial monetary losses.

Respondents, Dan Bruno, Shearson Lehman Hutton and Palmer Patton, denied all allegations of wrong doing and maintained that Claimant was a highly sophisticated and experienced investor and option trader who authorized each trade in his account and that all trades were consistent with Claimant's investment objectives. Respondents further maintained that they acted properly and in accordance with every applicable rule and regulation in connection with every aspect of the transfer of Claimant's account from Shearson Lehman Hutton, Inc. Respondents also contended that the losses in Claimant's account were the result, in whole or in part, of unforeseen market fluctuations.

RELIEF REQUESTED

Claimant requested an award of damages in the amount of \$145,935.00.

Respondent requested that the Statement of claim be dismissed in its entirety.

AWARD

After considering the pleadings, the testimony and the evidence presented at the hearing and post hearing submissions, the undersigned arbitrators have decided in full and final resolution of the issues submitted for determination as follows:

(The parties have agreed that the Award in this matter may be executed in counterpart copies or that a handwritten, signed Award be entered. In either case, the parties have agreed to receive conformed copies of the Award while the originals remain on file with the NASD.

1. All Claims of the Claimant, Jerry Barshatky, against Respondents, Dan Bruno, Shearson Lehman Hutton, Inc. and Palmer Patton, shall be and are hereby dismissed in all respects;
2. The Parties shall each bear their respective costs including attorneys' fees;
3. Pursuant to Section 43 of the Code of Arbitration Procedure, the NASD, Inc. shall retain the \$650.00 filing fee previously deposited by the Claimant.

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FORUM FEES

Pursuant to Section 43c of the Code of Arbitration Procedure, the following Forum Fees are assessed.

Respondents, Dan Bruno, Shearson Lehman Hutton, Inc. and Palmer Patton, are hereby jointly and severally assessed forum fees in the amount of \$3,650.00.

(6 sessions x \$750.00 = 4,500.00 minus initial deposit made by Claimant-\$650.00 minus \$300.00 owed by Claimant).

Claimant, Jerry Barshatky, is assessed \$300.00. (This represents the difference between the \$650.00 deposited and retained by the NASD and the combined \$200.00 non refundable deposit and the \$750.00 hearing session deposit chargeable in this case).

Fees are payable to the National Association of Securities Dealers, Inc.

ARBITRATION PANEL

Name

Public/Industry

Allen Kilik, Esq.

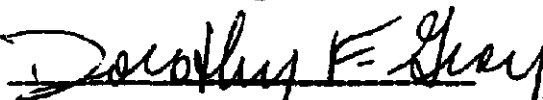
Public/Chairman


Dorothy F. Gray, Esq.

Catherine Ladnier

Concurring Arbitrators' Signatures.


Allen Kilik, Esq.


Dorothy F. Gray, Esq.


Catherine Ladnier

Dated by the NASD _____

DATED BY NASD
JULY 10, 1991