

NATIONAL ASSOCIATION OF SECURITIES DEALERS, INC.

: In the Matter of the Arbitration Between :
: :
: Henry C. and Monique Gross :
: Claimants : CASE# 90-01920
: vs. :
: :
: Shearson Lehman Hutton, Inc. :
: Jeffrey Gerson :
: Respondents :

Heard before:

Joseph A. Schubin, Esq. Public Arbitrator

CASE SUMMARY

In a claim filed with the National Association of Securities Dealers, Inc. on July 9, 1990 the Claimants Henry C. and Monique Gross alleged the Respondents were negligent in that they failed to properly explain the investments in Koger Properties, Inc. and the New America High Income Fund made in Claimants' account and failed to inform Claimants of the risks associated with their investments. Claimants further alleged the Respondents placed the Claimants' funds in investments that were unsuitable for them. Respondents maintained they took all possible and reasonable steps to fully advise the Claimants of the risks and the rewards of their investments and the Claimants made their own investment decisions. Respondents further maintained the Claimants losses are due to market factors and they are not insurers of the value of the investments.

RELIEF REQUESTED

Claimants requested damages of \$10,000.00. Respondent requested dismissal of claim and that they be awarded their costs, disbursements and attorneys' fees incurred in connection with this proceeding.

AWARD

On April 18, 1991 the undersigned arbitrator heard the controversy between the parties as set forth in submissions to arbitration signed by Claimants Henry C. and Monique Gross on July 5, 1990 and by Respondent Shearson Lehman Hutton, Inc. on March 13, 1991 and by Respondent Jeffrey Gerson on March 12, 1991. The hearing was conducted at the National Association of

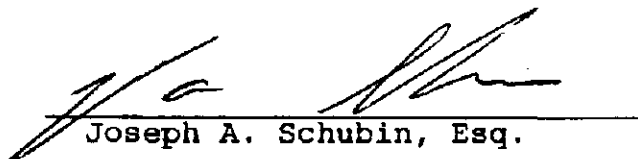
Securities Dealers, Inc. located in New York City, NY and consisted of one (1) hearing session. The Claimants appeared pro se and the Respondents were represented by Paul R. Williams, Esq. of the law firm of Schupbach, Williams and Pavone, Esqs. The arbitrator, having considered the pleadings, the testimony, and the evidence presented at the hearing, has determined in full and final resolution of the issues submitted for determination as follows:

1. The claims by the Claimants Henry C. and Monique Gross be and hereby are dismissed in all respects.
2. The parties shall each bear their respective costs, including attorneys' fees.

FORUM FEES

Pursuant to Section 43 of the Code of Arbitration Procedure, the National Association of Securities Dealers, Inc. shall retain the \$275.00 filing fee previously deposited by the Claimants.

ARBITRATOR SIGNATURE


Joseph A. Schubin, Esq.

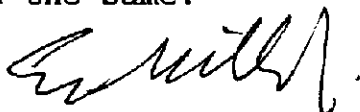
Date of Decision: May 21, 1991

STATE OF: *New York*

COUNTY OF: *New York*

ss:

On the *16* day, of *May*, 1991, before me personally appeared Joseph A. Schubin to me known and known to me to be the person who executed the foregoing instrument, and he acknowledged to me that he executed the same.



EDWARD G. MILLER
NOTARY PUBLIC, State of New York
No. 24-2702010
Qualified in Kings County
Commission Expires July 31, 1991