



N.A.S.D. NASD

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 Claimants

Barry Miles Belgorod M.D. P.C. EMP PEN
Barry Miles Belgorod and Madeline Miles as Trustees

vs

90-02334

Name of Respondent

Shearson Lehman Hutton, Inc.

Heard before the members of the Arbitration Panel:

<u>Name</u>	<u>Public/Industry</u>
James M. Baumann, Esq.	Public
John P. Bannon	Public
Walter A. Kapuscinski	Industry

Representation

Claimants - Pro Se

Respondents - Paul R. Williams, Esq.
Schupbach, Williams & Pavone

CASE SUMMARY

This claim was initiated by a Statement of Claim filed with the National Association of Securities Dealers, Inc. ("NASD") on August 23, 1990. Claimants, Barry Miles Belgorod, M.D., P.C. Employee Pension Plan Trust, Barry Miles Belgorod and Madeline Belgorod, allege that Respondents, Shearson Lehman Hutton, Inc., advised him to purchase 2,500 Class A depository units of Commonwealth Mortgage of America which was unsuitable investment vehicle for the pension plan. Claimants further contend that Respondent made misrepresentations and failed to disclose information.

In a Statement of Answer filed with the NASD on February 07, 1991, Respondent denies the allegations contained in the Statement of Claim. Respondent contends that any losses sustained by the Claimants were caused by the drastic decline in the real estate mortgage market.

RELIEF REQUESTED

Claimants request that the arbitrator award them \$25,000.00, the full purchase price of the units, \$687.50 in quarterly interest payments, treble damages under federal RICO statutes, expenses for consultation services and arbitration fees.

Respondent requests that the panel dismiss the claim and that it be awarded costs, disbursements and attorney's fees.

AWARD

On March 27, 1991, April 3, 1991 and May 17, 1991, in New York, New York during a hearing consisting of one (1) pre-hearing conference and three (3) hearing sessions, the undersigned arbitrators heard the controversy between the parties as set forth in submissions to arbitration signed by Barry Miles Belgorod and Madeline Belgorod, as Trustees, on behalf of Claimant, Barry Miles Belgorod, M.D., P.C. Employee Pension Plan Trust, on August 21, 1990, and signed by William A. Hohauser, Esq. on behalf of Respondents, Shearson Lehman Hutton, on January 16, 1991.

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.

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

1. Respondent, Shearson Lehman Hutton, Inc., is hereby liable and shall pay Claimants Thirteen Thousand Six Hundred and Twenty Dollars and Zero Cent (\$13,620.00);
2. The claim for treble damages under federal RICO statutes is denied;
3. The parties shall each bear their respective costs including attorneys' fees.

OTHER ISSUES

Claimants made a motion to preclude Respondent's Answer based upon the fact that it was not timely filed. Respondent opposed said motion. After hearing arguments on the motion, the panel denied the motion.

FORUM FEES

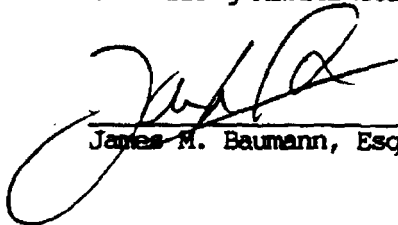
Pursuant to Section 43c of the Code of Arbitration Procedure, the following

Forum Fees are assessed:

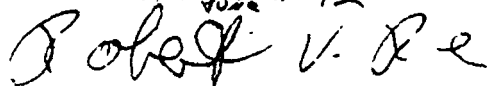
1. The NASD shall retain the \$200.00 non-refundable filing fee previously deposited by the Claimants;
2. The NASD shall retain the \$750.00 hearing session deposit previously made by the Claimants;
3. Forum fees for three (3) hearing sessions and one (1) pre-hearing session in the amount of \$2,550.00 are assessed and shall be borne equally by the parties;
4. Claimants are assessed \$1,275.00 in forum fees and shall receive a credit of \$750.00. Therefore, the total due is \$525.00;
5. Respondent is assessed \$1,275.00 in forum fees.

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

Concurring Arbitrator Signature


James M. Baumann, Esq.

ROBERT V. RE, JR.
Notary Public, State of New York
No. 24-448882
Qualified in Queens County
Commission Expires March 30, 1992



5/28/91

Date of Decision: May 28 1991

DATED BY NASD
MAY 30, 1991

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Concurring Arbitrator Signature


John P. Bannon

Date of Decision:

May 29, 1991

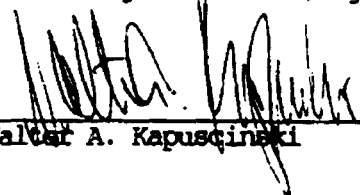
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Concurring Arbitrator Signature


Walter A. Kapuscinski

Date of Decision: 5/28/91

DATED BY NASD
MAY 30, 1991