

N.A.S.D. AWARD

NATIONAL ASSOCIATION OF SECURITIES DEALERS

National Association of
Securities Dealers, Inc.
NASD Financial Center
33 Whitehall Street
New York, N.Y. 10004
FAX (212) 858-4389

In the Matter of the Arbitration BetweenName of Claimants

Salvatore & Lina Saccaro

90-03303

Name of Respondents

Shearson Lehman Brothers, Inc.
Fred Georgette

REPRESENTATION

For Claimants Salvatore & Lina Saccaro ("Claimants"): Joseph F. Keenan of
Bochat Keenan et al.

For Respondents Shearson Lehman Brothers, Inc. ("Shearson") and Fred
Georgette ("Georgette"): Paul R. Williams of Schupbach, Williams et al.

CASE INFORMATION

Statement of Claim filed: the Statement of Claim was dated November 1990.
Claimants' Submission Agreement signed on: November 15, 1990.

Joint Statement of Answer filed by Respondents on: July 1, 1991.
Respondent, Shearson's Submission Agreement signed on: September 17, 1991.
Respondent, Georgette's Submission Agreement signed on: December 17, 1991.

HEARING INFORMATION

Hearing Date/Sessions: December 17, 1991/2 sessions.

Hearing Location: NASD, New York, New York.

CASE SUMMARY

Claimants alleged Georgette placed them in unsuitable investments - National Federal Securities Trust and Colonial Government Securities Trust - among others; did not explain the risks of investing on margin; made unauthorized transactions and churned Lina Saccaro's IRA account; and made material misrepresentations and omissions of material facts. Claimants alleged Shearson did not supervise its employees/agents. Claimants alleged Respondents induced Claimants to rely on their expertise and fraudulently mishandled Claimants' accounts.

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Respondents alleged the investments made in National Federal Securities Trust and Colonial Government Securities Trust were suitable investments and were approved by Claimants prior to their purchase. Respondents stated Georgette explained the concept of margin to Claimants and that all transactions were authorized.

RELIEF REQUESTED

Claimants requested: actual damages in the amount of \$24,000.00; attorneys' fees; interest; costs; and disbursements.

Respondents requested: the Statement of Claim be dismissed in full; costs; disbursements and attorneys' fees.

OTHER ISSUES CONSIDERED & DECIDED

The parties have agreed that a handwritten, signed Award may be entered. In this case, the parties have agreed to receive a conformed copy of the Award while the original remains on file with the NASD.

AWARD

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

- 1- Respondents are liable, jointly and severally, and shall pay to Claimants the sum of THIRTEEN THOUSAND THREE HUNDRED FIFTY 00/100 DOLLARS (\$13,350.00);
- 2- All other claims are dismissed;
- 3- Each party shall bear their respective costs, including attorneys' fees.

FORUM FEES

Pursuant to Section 43(c) of the Code of Arbitration Procedure, the NASD shall retain the \$100.00 non-refundable filing fee previously deposited by Claimants and the following Forum Fees are assessed.

2 sessions X \$400.00 = \$800.00

Forum fees Assessed Against:

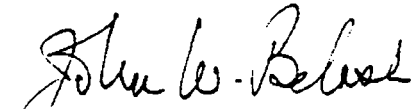
- 1- Claimants in the amount of \$400.00; however, Claimants may use their \$400.00 hearing session deposit to offset this amount;
- 2- Respondents, jointly and severally, in the amount of \$400.00.

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

All monies are to paid within fifteen (15) days of the date of this Award. Interest shall accrue on all unpaid monies beginning on the sixteenth (16th) day after the date of the Award at the rate of nine (9%) percent per annum continuing until date of payment.

CONCURRING ARBITRATORS

A handwritten signature in cursive script, reading "John W. Belash".

John W. Belash/Industry Arbitrator

Date of Decision: January 10, 1992

AWARD
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CONCURRING ARBITRATORS

A handwritten signature in cursive script, appearing to read "Rebecca A. Novak".

Rebecca A. Novak/Public Arbitrator

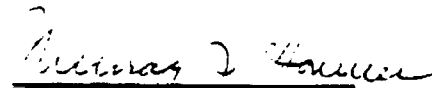
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CONCURRING ARBITRATORS


Murray I. Sommer/Public Arbitrator

Date of Decision: January 10, 1992